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Formosa Shows Need for Western Unity in Asia

Washington's decision to place the question of Formosa before the United Nations promises to put an end to a sharp issue which was threatening, superficially at least, to undermine the unanimity with which the Western world has met Communist aggression in Korea.

Russia's delegate Jacob A. Malik has spent the month of August as president of the Security Council in an attempt to keep attention focused on every development in the Far East except the crossing of the Thirty-eighth Parallel by the well-prepared forces of North Korea. His most successful move toward isolating the United States is due to the fact that Washington has not recognized the Communist regime in China whereas Britain, India and other nations have. President Truman's order of June 27 to the Seventh Fleet to prevent an attack on Formosa, a unilateral action unsupported by UN resolutions, has added to the difficulty of presenting a united front, and Communist China's message of August 24 to Lake Success calling for the withdrawal of American naval and air units was a widely anticipated attempt to heighten American embarrassment.

By the time Peiping acted, however, not only was the State Department prepared but a Republican lead had been given by Governor Thomas E. Dewey in his speech of August 23 which called for submission of the Formosa question to the UN. Thus, the letter of American delegate Warren R. Austin to Secretary General Trygve Lie on August 25, requesting UN consideration of the issue, both met foreign criticism and had bi-

partisan support at home. But differences between the civilian and military points of view, as revealed in General Douglas MacArthur's suppressed message to the Veterans of Foreign Wars convention in Chicago on August 28, indicate that the question of Formosa can easily reappear in domestic politics.

Britain's Position

The Western rift over Formosa, at least in so far as it is reflected in American and British policies, has revealed differences in tactics rather than aims. Britain appears to have recognized the military considerations which made the neutralization of Formosa desirable at the crucial stage when United States forces were moving into Korea. But speculation soon centered on the possibility that American and Communist Chinese forces might become embroiled in hostilities over Formosa. In a reply published August 15 to a question by a Labor backbencher, Prime Minister Clement Attlee admitted he was aware of these "dangerous possibilities" and added that Britain had made it clear that its action in Korea was in accordance with Security Council resolutions and "is not concerned with Formosa."

The fundamental Anglo-American cleavage arises over policy toward China as a whole. Britain recognized the Peiping government last January 6 for three well-defined reasons: to conform with the accepted British diplomatic practice of extending recognition to governments when they proved effectively in control of their countries; to protect as far as

possible British investments in China, an economic stake estimated at more than £300 million; and to retain British prestige and influence elsewhere in Asia.

Of these three reasons, all based on realistic grounds, the third was the most important. Since 1945 Britain has retreated as gracefully as possible before Asian revolution and nationalism, striving at the same time to salvage goodwill and such strategic and economic interests as could be maintained through mutual consent. This approach has not only been reflected in India, Pakistan, Ceylon and Burma—all pre-war parts of the British Empire—but also in Indonesia and Indo-China where British troops were initially involved in accepting surrender from the Japanese on behalf of Western European colonial governments. Only in Malaya, where revolution is both Communist and Chinese and has little appeal for Malay nationalists, have the British stood pat.

Today what the Empire has lost the Commonwealth is trying to retrieve. Keeping India within the Commonwealth as an active, interested and cooperating partner has been a major aim both in London and in other dominion capitals—so much so that a constitutional formula was found in April 1949 to allow India to follow its wish of becoming a republic and still remain a member of an association previously confined only to monarchies. Therefore, the British Foreign Office has been sensitive to New Delhi's view of the world.

Moreover, many British Far Eastern experts hold views on China similar to

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those of Prime Minister Jawaharlal Nehru. They contend that China is too old, too proud, too big, too concerned with domestic affairs to become a true and lasting satellite of the U.S.S.R. They argue that if Communist China is brought into diplomatic contact with the West and given a seat in the United Nations, this will in the long run encourage Peiping's independence.

While these considerations provide the basis for the British position, other factors have prevented London from pressing Washington for a more speedy reversal of its Formosa policy. The Peiping government met British recognition with a rebuff, demanding that Britain support its claim for a UN seat and satisfy certain conditions in respect to Chinese Nationalist assets and refugees. As a result, diplomatic representatives have not

been exchanged. The possibility that the Communists will seek to oust the British from Hongkong also remains a point of friction. And London fully appreciates that neither Formosa nor the seating of the Chinese Communists in the UN can take precedence over Korea in the Security Council without weakening Western efforts at collective security.

Formosa and the Fleet

Whether the Soviet Union can use the Formosa question to cause further rifts between Western powers before any United Nations action can be taken depends largely on the military factors involved. If it would suit Russia's aims to bring about a Sino-American war, Moscow can be expected to press for more than a mere threat against the United States on the part of Peiping. Yet the

Chinese Communists may be unwilling to send an invasion armada of junks into the teeth of the Seventh Fleet when there is a strong prospect that they will ultimately acquire Formosa at the conference table. A Communist air attack on the island is a greater possibility. However, such a move might be regarded by the United States as an incident rather than the initiation of a full-fledged war and therefore represents less of a danger. Friction along the Korean-Manchurian border as American planes carry out raids on North Korean targets is another potential source of conflict and may prove more important than Formosa. Meanwhile, Washington no less than London appears to regard greater Western unity in the Far East as an objective to be achieved at the earliest possible moment.

WILLIAM W. WADE

How Far Should Congress Go in Initiating U.S. Policy?

Some recent Congressional decisions regarding the major appropriations bills spotlight an acute impediment to the effective conduct of American foreign policy, due to the growing powers of Congress in this field and its particular vulnerability to individual, local, factional and partisan pressures. This situation constitutes an additional obstacle to effective diplomacy at a time when the President and Secretary of State have had to repudiate statements affecting foreign policy made by military leaders and officials such as General Douglas MacArthur and Navy Secretary Francis P. Matthews.

Congressional Role

Although the conduct of foreign relations has traditionally been considered primarily a Presidential function, Congress, especially through the Senate's treaty powers, has always influenced this country's diplomacy. In recent decades, through joint resolutions and by various laws such as those affecting tariffs and immigration, Congress has increased its foreign policy role. Within the last decade—especially since World War II—heavy foreign expenditures for the implementation of United States policy have augmented this trend.

The implications of this development were once more revealed when the House-Senate conference committee on August 24 adopted an amendment appropriating \$62.5 million for a mandatory loan to Franco Spain, contrary to the urgent rec-

ommendation of the President who stated that this measure would antagonize many people in Western Europe and give a strong propaganda weapon to the Communists. During debate the next day Representative Howard W. Smith, Democrat of Virginia, declared: "We have here an almost ridiculous situation where an attempt is being made to write foreign policy in an appropriations bill on the floor of the House of Representatives." Nevertheless the amendment was approved by a vote of 165 to 90.

Congressional legislation involving foreign affairs tends to reflect many particularistic and intensive pressures not representative of the national interest as a whole. This tendency reveals itself in the current appropriations bills, which exhibit an inclination to emphasize military, tangible and short-range projects at the expense of non-military, intangible and long-range programs. Substantially more than half of all funds appropriated—more than \$31.2 billion, out of almost \$53 billion—are for military purposes.

A quick glance at the present world position of the United States makes evident the vast significance of the non-military items in the Administration's program. The course of the Korean war has clarified—if it was not obvious before—the fact that this country and its North Atlantic allies could not readily stop a Communist invasion of Europe, while further dispersal of forces in such potential battlefields as Iran, Indo-China

and Formosa would make the situation even more dangerous. It is apparent, therefore, that the aim of American strategy in the Orient should be to strengthen both the political and economic systems and the attachment to the West of the new nations of Asia. This can be accomplished only by rendering timely assistance and by carrying out friendly policies which arouse Asian confidence in our intentions and leadership.

Non-Military Means Neglected

The attempt in Congress to cut Point Four appropriations from the \$26.9 million previously authorized to only \$15 million, therefore, threatened to make the long-heralded program of American aid to underdeveloped countries appear even more inconsequential than it had already become. President Truman promptly notified Congress that this attempt would "do more for the Communists . . . than hundreds of millions of dollars of their own propaganda. . . . I can conceive of no more tragic blunder than to throw away this opportunity of doing so much to strengthen the cause of freedom at such little cost." The House on August 25 restored the cut in Point Four—apparently at the price of retaining the Spanish loan. To the Asian observer it must appear ludicrous—if not hypocritical—that the American Congress, on the same day that it voted \$62.5 million for the Franco regime, cavilled at spending less than half that amount to aid the vast populations

of South Asia, the Middle East, Latin America and Africa.

The elimination of the \$12.5 million contribution to the UN Children's Fund would appear in a similar light. The further reduction by \$200 million of the allocation for the Marshall Plan, bringing the total for the coming year to \$2,526 million, contrasted with \$5 billion for military aid, may convince many Europeans that we are more interested in using them as a military bastion than in helping them to achieve political and economic stability.

Propaganda Control

The Congressional leaders also failed to appreciate the difficulty of winning support for the United States when they cut appropriations for the State Department's foreign information program by more than \$20 million, most of which had been requested for the "supervising, directing, planning and housekeeping" of this work. The determination and control of propaganda content is a matter of the greatest importance and difficulty, requiring substantial expenditure for adequate personnel and research facilities, lest more

harm than good be done. Gordon Cotler, an American intelligence officer during World War II, tells in the August 26 issue of *The New Yorker* how difficult it was for Americans to produce effective propaganda and how even a Japanese prisoner of war, after a period of effective service, become so imbued with democratic Western ideas and attitudes that he lost his ability to win surrenders from the enemy.

Similarly, it cannot be readily assumed that the content of Voice of America programs will appeal to foreign listeners. Thus on August 13 a new series of broadcasts in Vietnamese was inaugurated with considerable fanfare by messages from President Truman, Ambassador Philip C. Jessup and other State Department officials. One speaker announced that "we have followed with keen interest your splendid effort to perfect a free and lasting democratic community despite the unscrupulous tactics of Soviet imperialism." In Indo-China the Bao Dai regime, upheld by 150,000 French troops, appears to epitomize imperialism far more than the Viet Nam Republic of Ho Chi

Minh which, despite its brutality and native Communist leadership, has so far followed moderate social policies without conspicuously employing foreign assistance. The Voice's statement, therefore, however laudable it might appear to the American reader, must have struck its small Indo-Chinese audience as the product of either ignorance or hypocrisy. Yet this kind of misfiring cannot be prevented without the use of adequate funds for research and control.

That the defects of legislative action on foreign policy are not inherent in the democratic process is demonstrated by the functioning of Britain's cabinet and parliamentary system. Yet some fundamental reforms to improve executive-legislative coordination could be effected in the United States without a basic recasting of our governmental system, as the Hoover Commission proposed. For the time being, however, the chief means of holding Congressmen to a sense of mature national responsibility on foreign policy issues would appear to be the pressure of an informed and alert public opinion.

FRED W. RIGGS

Fear of War Spurs European Economic Integration

The meeting of the North Atlantic Council of Deputies in London which opened on August 22 and the September conference of Atlantic pact foreign ministers in New York indicates that the Asian crisis has not obscured the fact that the vital economic and military strength of the anti-totalitarian force lies with the nations of the Atlantic coalition. As the situation in the Far East continues to deteriorate, it becomes increasingly imperative that the economic, military and ideological resources of Western Europe be maximized.

This task is not without its disquieting aspects. Should the United States, for example, take the lead in urging that Franco's Spain be bolstered with a view to bringing it into the democratic camp? Does the need to build European strength and spirit mean that controls on the military and economic potential of Western Germany should be modified? These are but two of the questions that will be on the docket when Secretary of State Dean Acheson, Foreign Secretary Ernest Bevin and Foreign Minister Robert Schuman meet on September 12.

During the past months there have been numerous conferences and discus-

sions designed to further European integration. By far the greatest interest has been centered about the Schuman plan for the pooling of Western Europe's coal and steel production. That proposal is still in the preliminary negotiations stage and present indications are that some serious stumbling blocks—mostly due to emphasis on national economic sovereignty—remain to be hurdled.

Payments Union Progress

By contrast the European Payments Union, which went into operation as of July 1, has been much less in the news. This is due to the extremely technical and complex nature of the new organization and the well-known fact that international disputes usually take more news space than agreement between countries. There is little doubt that the payments union is a step forward on the long road to unfettered international trade and payments.

The union establishes a system of quotas in units of account (ECU's) allocated to participants on the basis of their aggregate visible and invisible current transactions with other members in 1949. These quotas set the limit to the line of

credit that participants can receive from the union and also determine the obligation of creditors to lend to the EPU. A percentage table lists the increasing responsibility of debtors to part with gold as they continue to use their "line" until, with all credit exhausted, 40 per cent of the quota would have been paid in gold. The initial ECA dollars allocated to the EPU will serve as part of the initial working capital and also as a reserve to guarantee that the use by other members of their accumulated sterling reserves will not mean a gold loss for Britain. The initial operations of the EPU will not bring a return to the pre-1930 system of free exchange since European currencies are not sufficiently strong to withstand the strain of dollar convertibility.

The Council of the OEEC decided on January 31, 1950 that 60 per cent of the trade of member nations shall be liberalized as soon as the EPU comes into operation and that by the end of 1950 this figure shall be raised to 75 per cent. The plan to remove import restrictions is bound to hit some countries harder than others. It will be especially onerous for nations which rely on import quotas rather than tariffs. For, obviously, a low-tariff

nation will find it more difficult when quota restrictions are removed than its neighbor who is protected by high tariff walls.

Stikker and Pella Plans

To equalize the hardships that the transition to a freer and more integrated Europe will bring, the Netherlands, a low-tariff country, made public on June 14 a plan devised by Dr. Dirk U. Stikker, Netherlands Foreign Minister and OEEC Council president. The essence of the Dutch proposal is twofold. It would proceed with integration, not on the sweeping basis suggested by the OEEC, but rather on an industry-by-industry basis in the manner that the Schuman plan deals with the coal and steel industries. The Stikker plan envisages the creation of a European integration fund with contributions—the Netherlands has as yet suggested no technique for determining quotas—from OEEC members. This fund will be used to help modernize plants now unable to compete effectively, as well as to ease the burden of shifting out of old and into new industries.

The Pella plan was proposed to the OEEC Council on July 7 by Italian Finance Minister Giuseppe Pella. The core of the Italian scheme is a preferential tariff agreement among the OEEC countries. Along with the attempt to lower tariff barriers the Pella plan proposes concerted action to solve the major economic problems of the member nations—and in Italy's case the principal difficulty is overpopulation. Like the Dutch proposal, the Pella plan urges the formation of an integration fund to aid in the reorganization of the European economy.

Of the principal integration devices so far suggested, only the Schuman plan goes directly to the heart of the problem, boldly urging cession of a degree of economic sovereignty. And this boldness promises protracted and complicated negotiations. On the whole, however, the pressure of the Korean war has convinced Europe's leaders that economic cooperation is neither academic nor a luxury but a vital and urgent necessity.

HOWARD C. GARY

Keep Ahead of the News—

Read FPA Reports:

THE H-BOMB AND WORLD ORDER

by Hans Bethe, Peter Kihss,

William W. Kaufmann

September 1 issue

THE U.S. AND POINT FOUR PROBLEMS

by Howard C. Gary

September 15 issue

THE BRITISH COMMONWEALTH IN THE

ASIAN CRISIS

by Gwendolen Carter

October 1 issue

MILITARY AND ECONOMIC STRENGTH

OF WESTERN EUROPE

by Vera M. Dean and Howard C. Gary

October 15 issue

Foreign Policy Reports — 25¢

Subscription \$5; to FPA members, \$4

FPA Bookshelf

An Encyclopedia of Modern World Politics, by Walter Theimer. New York, Rinehart, 1950. \$5.00.

A useful compendium which ranges in some 700 pages from the Aaland Islands to Zog I, including modern political terms, outlines of recent developments in all parts of the world, outstanding personalities and political thinkers and their main ideas, with copious cross-references.

Handbook of the United Nations and the Specialized Agencies. Lake Success, United Nations, Department of Public Information, 1949. \$1.00 (Sales No. 1949. I.9).

The first edition of this little manual will prove a great convenience in looking up basic information concerning the origin, purposes, functions and activities, organization, membership and similar details concerning the United Nations, its various organs and commissions and thirteen specialized intergovernmental agencies.

New Forces in Asia, edited by Bruno Lasker. New York, H. W. Wilson, 1950. The Reference Shelf, Vol. 21. No. 6. \$1.75.

A stimulating collection of readings taken from contemporary sources which interpret some of the underlying problems and dynamic trends that mold the political developments in this decisive area of American-Russian rivalry. Among the authors included are Carlos P. Romulo, C. Y. W. Meng, Toyohiko Kagawa, Edwin O. Reischauer, Vincent Sheehan, Anna Louise Strong, J. S. Furnivall, G. Sundaram, Fred W. Riggs and Kenneth Scott Latourette.

Chinese Agent in Mongolia, by Ma Ho-t'ien. Translated by John De Francis. Baltimore, Johns Hopkins Press, 1949. \$3.50.

The diary of a journey through Mongolia in 1926-27 by a Chinese official and political agent, originally published in Chinese. It throws light on social conditions inside this secluded but historically important border zone between China and the Soviet Union, and contributes to an understanding of developments in the Mongolian People's Republic under Communist guidance.

News in the Making

ANGLO-EGYPTIAN PACT IN PROSPECT? Egypt, which has hitherto deeply resented its thirty-year treaty with Britain providing for a British garrison in the Suez Canal zone, is now reported considering new arrangements for defense cooperation. General Fouad Sadek, Commander-in-Chief of the Egyptian forces in Palestine, has recently stated that, while he opposes "imperialism," he believes that "a joint defense with Britain is absolutely necessary in the existing circumstances, but with certain reservations."

HOW AND WHEN TO REARM GERMANS? The growth of an armed police force in Eastern Germany which might be used to attack the West German state has accelerated the Atlantic pact nations' discussions about ways and means of utilizing German manpower. The two principal plans under consideration are the creation of an armed police force patterned on that of Eastern Germany and the recruitment of German units to be incorporated in a European army. A crucial question is whether any arming of Germans should take place before the Western powers have increased their own military forces in Germany.

CLOUDS OVER KASHMIR: With the breakdown of UN mediator Sir Owen Dixon's attempt to find a basis for settlement of the Kashmir dispute between India and Pakistan, the question reverts to the Security Council where it will come up for discussion in September. At a time when the Western world is looking to Nehru's India for leadership in stabilizing non-Communist Asia, peaceful agreement on a question which raises deep ideological and emotional issues on both sides is fraught with peculiar significance.

BRITISH NATIONALIZATION REVIEWED: The general council of Britain's Trade Union Congress, in preparation for its annual conference September 4-8, has produced a report questioning some features of the nationalization of industry. The action of the TUC, backbone of the Labor party, reinforces the party's trend toward consolidation before further nationalization is attempted.

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How Can U.S. Contribute to a UN Peace in Asia?

Two months after the invasion of the Republic of Korea by North Korean forces the outcome of the struggle in the "hermit kingdom" still hangs in the balance, both on the military and on the ideological planes. Nor is it yet certain whether the Korean war will remain a local conflict or, fanned into a large-scale Asian war, will engulf Europe and the United States. During this critical period, however, several basic issues of policy have been clarified at Lake Success, as well as in the capitals of members of the United Nations, and new trends have developed in the global controversy over democracy and communism.

Victory for UN

The August battle of words around the Security Council table under the presidency of Russian Delegate Jacob A. Malik has so dominated public discussions and television screens that there is great danger it will obscure the resulting victory—a victory not for any one country but for the United Nations over the claims of clashing nationalisms. On the one hand Mr. Malik, doubling in the roles of Russian delegate and president of an international agency, prevented the Council from taking further action on Korea but failed in his efforts to expunge from the record far-reaching decisions adopted during his "walkout." On the other hand General Douglas MacArthur, doubling in his roles of American military leader and commander of UN forces in Korea, succeeded in creating a potentially dangerous rift among UN members about Formosa but failed to impose his Formosa

policy on either his own government or on the United Nations.

The United States made a significant contribution to this United Nations victory by readily agreeing to place on the Council's agenda Peiping's two complaints—concerning American action on Formosa and the alleged attack by one or more American planes on Manchurian territory. The Truman Administration thereby gave concrete evidence that when it decided on June 25 to act in Korea under the aegis of the United Nations, it accepted UN jurisdiction not merely in a case where its own interests coincided with those of the UN but also on issues where its policy or actions may be challenged by other nations. President Truman in his September 1 "Report to the Nation" confirmed the new attitude indicated by American Delegate Warren R. Austin at the August 29 and 31 sessions of the Security Council when he said: "We believe in the United Nations. When we ratified its Charter, we pledged ourselves to seek peace and security through this world organization. We kept our word when we went to the support of the United Nations in Korea two months ago. We shall never go back on that pledge."

It is true that in 1945 the United States, contrary to its decision in 1919, vigorously furthered the creation of the United Nations. But during the past five years American policy, like that of other member nations, had vacillated between lip-service to the UN and reversion to unilateral action in world affairs. By contrast, since the outbreak of war in

Korea, this country has repeatedly demonstrated a determination to mesh its policy with the objectives and needs of the United Nations. This determination has already produced a far more favorable impression on world opinion than reams of American propaganda.

Post-War Aims of U.S.

American action on Korea, however, will be judged in the light of the ultimate goals the United States may pursue, not only in Asia but throughout the world. President Truman showed keen realization of universal concern about "post-war aims" when he declared that this country does not want the Korean conflict to expand into a general war and does not believe in aggressive or preventive war—thus firmly disposing of belligerent talk that had long been emanating from military circles but was finally brought into the open by Secretary of the Navy Francis P. Matthews. He put the onus in advance on "Communist imperialism" if "other armies and other governments" are drawn "into the fight of the aggressors against the United Nations."

The President's speech, reinforcing and expanding Mr. Austin's statements on Formosa in the Security Council, has markedly improved the position of the United States both in Europe and Asia. For until then even our best friends abroad had been wondering uneasily whether the Truman Administration would allow itself to be catapulted by adventurous military advisers into dangerous decisions about Formosa. There have been fears that such action on the

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part of the United States would drag other UN nations into a third world war for which, as the events of the past two months have made abundantly clear, even the advanced nations of Western Europe are unprepared.

Particularly heartening to the Atlantic pact nations is the President's assurance that the United States does not believe in aggressive or preventive war. Hitherto, sensational statements by some American political and military leaders about ready use of the atomic bomb against Russia and the destructiveness of this "absolute weapon" had caused most Europeans to fear rather than welcome the prospect of American military aid. During the past five years the United States, until 1949 sole possessor of the atomic bomb, was also the only country where influential spokesmen uttered threats of atomic warfare. These threats are believed by many here, and by some abroad, notably Winston Churchill, to have deterred the U.S.S.R. from aggression in Europe. Whether or not they did remains a moot point, depending on one's estimate of the Kremlin's strategy. Where our claims about the "absoluteness" of the atomic bomb proved most effective was in frightening the American people into a state of nervous tension which now menaces our common sense and traditional freedoms. They also paralyzed the will to resist of Europeans, who felt themselves doomed whatever might be the outcome of the impending war.

Our overemphasis on the horrors of atomic warfare and our steadfast insistence on having the UN consider control of the bomb apart from and ahead of other, "conventional," weapons, offered the

Kremlin a made-to-order opportunity to stampede frightened people everywhere into signing the Stockholm "peace petition" for the outlawing of atomic war and the destruction of bomb stockpiles. It is significant that since the outbreak of war in Korea much less has been heard here about the use of atomic bombs. And some Americans have begun to wonder whether it would not be wise for this country to urge control of all weapons, not of the bomb alone, and thus place Russia's land forces, vastly superior to the forces of the Atlantic coalition, on the United Nations docket.

Queries About U.S.

Although reassured by President Truman's September 1 address, other nations are watching us closely on three major issues. First, our friends both in Europe and Asia want to know whether civilians here will succeed in maintaining control of foreign policy, as the President unhesitatingly did in the MacArthur incident, or will ultimately succumb to military pressures supported by some of the Administration's political opponents. Second, in Asia our friends are asking what we intend to do about remnants of Western colonial rule and the development of nonindustrialized areas. In the heat of conflict with Russia and communism it is often thought strange that the Asian peoples should find any fault with the United States. Yet Filipino Foreign Secretary Carlos P. Romulo, president of the UN General Assembly in 1949, declared in the *New York Times Magazine* of September 3 that "as things now stand, most of the free peoples of Asia are wary both of the Western powers and of the

Soviet Union." This situation, he contends, is due to the West's reluctance, after World War II, to apply the Atlantic Charter in Asia, and to the half-heartedness of long-promised economic aid—a half-heartedness emphasized by the meagerness of Point Four appropriations as compared with appropriations for military purposes. Many Asian leaders fear that American preoccupation with the Far East is due more to strategic considerations in the struggle with Russia than to concern for the welfare of Asian peoples.

Third, both our European and Asian friends are anxious to discover the attitude of the majority of Americans toward political and economic freedoms in a fast-changing world. Russia's recent actions in world affairs, which even in the opinion of some fervent Communists spell old-fashioned imperialism, have weakened the influence of the U.S.S.R. and to some extent of communism as well. What, however, many ask, will be the alternative in countries which have not yet developed traditions of democracy? Does the United States expect such countries to take over unquestioningly its political and economic institutions? And how well do these institutions work today in the United States?

Leading Europeans and Asians realize all too well from their own experience how difficult it is for democracy to withstand the test of external and internal dangers. But, they ask, is liberalism really an integral part of American life, or is it a thin veneer concealing attitudes of intolerance toward nonconformism on controversial issues frighteningly reminiscent of the attitudes Americans have denounced on the part of Germans, Japanese and Russians? In the past few months such phenomena as the condemnation of individuals without judicial trial, demands for purges of universities, radio and television, and public "confessions" by ex-Communists have raised serious doubts among observers in other nations as to the steadfastness of American democracy. Is American liberalism a fair-weather doctrine to be jettisoned the moment storm signals go up? Is suppression of nonconformism the kind of ideology the United States is urging other nations to endorse?

Some of us may regard such questions as unwarranted interference in our domestic affairs. While the United Nations Charter specifically excludes domestic affairs from the jurisdiction of the interna-

FPA Bookshelf

RECENT BOOKS ON BRITAIN

The Grand Alliance, by Winston S. Churchill. Boston, Houghton Mifflin Company, 1950. \$6.

The third volume of Mr. Churchill's war memoirs spans the year 1941 and chronicles such epic events as Rudolph Hess's flight to Britain, the loss of Crete, the sinking of the Bismarck, the Nazi attack on the Soviet Union, the drafting of the Atlantic Charter and Pearl Harbor. The former Prime Minister is forthright, blunt and often controversial—but always interesting.

Assignment to Austerity: An American Family in Britain, by Herbert and Nancie Matthews. New York, The Bobbs-Merrill Company, Inc., 1950. \$3.

The former chief of *The New York Times* London bureau and his English-born wife have produced a readable, human account of post-war Britain and its Labor government. The book includes an analysis of last February's election results, which Mr. Matthews views as a serious defeat for the Labor party.

The English Middle Classes, by Roy Lewis and Angus Maude. New York, Alfred A. Knopf, 1950. \$3.75.

A study of the impact of war, socialism and the growth of the welfare state on the British middle classes. The authors, themselves members of the group they are analyzing, strive for and achieve notable objectivity, but perhaps because of the difficulty of defining their subject, their conclusions seem groping and vague.

The Decline and Fall of British Capitalism, by Keith Hutchison. New York, Charles Scribner's Sons, 1950. \$3.50.

A perceptive economic history of Britain in the twentieth century which analyzes the forces, among them extensive government planning of two world wars, that brought the Labor party to power in 1945. Mr. Hutchison, who brings his story up to 1950, sees the 1945 election as a turning point "from a society which was still essentially capitalistic, although tempered by many socialist innovations, to one basically socialist despite many capitalist survivals."

tional organization, UN debates have made it increasingly clear that it is difficult to draw a clear line between domestic and foreign policy. This country's capacity to exercise leadership in the non-totalitarian world depends directly on the

answers the majority of the American people will give on the major issues of our times. A trend toward totalitarian practices here will revive the prospects of communism; a trend back to firm defense of the practices, and not only the

slogans, of democracy will speed the decline of Communist influence. It would be the height of tragic irony if, while calling on other nations to fight for freedom in Korea, we should lose the fight on the home front. VERA MICHELES DEAN

Washington Steers Careful Course on Formosa Issue

The decision of the UN Security Council on August 29 to investigate the Formosan question places that island in the forefront of world attention. In dealing with this delicate issue the Truman Administration has had to steer a difficult course between treacherous alternatives. Total abandonment of Formosa might endanger our military security and threaten the Administration's domestic political position; but augmented support for the Nationalist regime might antagonize such potential allies as India and precipitate open hostilities with the Chinese Communists.

A Thorn in the Flesh

The island of Formosa has never been a territory of intrinsic importance in world politics. Since the sixteenth century when Portuguese adventurers, landing on its mountainous eastern shores, named it the beautiful island—*Ilha Formosa*—it has been chiefly important as a thorn in the flesh of China.

The Chinese themselves had never shown much interest in the Camphor Island, with its Indonesian ties and coastal trade. Consequently the Dutch in 1630, having been driven from China's ports, encountered no resistance in building a fort on Formosa from which they harassed Portuguese trade between Japan and Macao. But the Dutch stay came to a violent end when the island suddenly intruded into Chinese history by providing a refuge for the Ming resistance to the Manchu conquerors. When Koxinga, the Chinese leader, established his stronghold on Formosa in 1661, he set a precedent for the Nationalist retreat of 1949.

The Ming resistance continued for twenty years before the Manchus finally reduced the island, for the first time, to the direct control of Peking. The Chinese, who called the island Taiwan—place of tablelands and streams, descriptive of the western plains—now commenced a steady migration, establishing peasant rice-culture and pushing the aborigines into the high eastern mountains. The Chinese population had grown to 2.6 million by 1896 and 6 million by 1950.

In the nineteenth century various powers occupied or blockaded Taiwan's chief ports as a means of coercing Peking: the British in 1868, the Japanese in 1874 and the French in 1884. In 1895, following the Sino-Japanese war, the island was transferred to Japanese sovereignty, although the new masters had to suppress a local nationalist republic before they could enforce their rule.

China, however, never accepted the permanent alienation of the island, and at Cairo on December 1, 1943, President Roosevelt, Prime Minister Churchill and Generalissimo Chiang Kai-shek agreed that "all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa and the Pescadores, shall be restored to the Republic of China."

Subsequently at the Potsdam conference the United States, Britain and China declared that "the terms of the Cairo Declaration shall be carried out." Following the Japanese surrender, the Chinese took over administration of the island pending formal transfer of sovereignty by a peace treaty with Japan.

The victory of the Chinese Communists on the mainland and the retreat of the Nationalists created a new and perplexing problem for the United States. The moral obligation to turn Formosa over to the Peiping regime upon its recognition was clear, but a delay might be sought pending the signing of the Japanese peace treaty. Moreover, Cairo promised Formosa to the "Republic of China," and the new regime, having renounced all Nationalist government treaty obligations, might also be deemed to have forfeited treaty benefits.*

A Policy Reversal?

Following a prolonged debate, President Truman on January 5 proclaimed that the United States had no "predatory designs" on Formosa and would not "interfere in the present situation." When the Korean war broke out, however,

President Truman on June 27 announced that he had "ordered the Seventh Fleet to prevent any attack on Formosa. . . . The determination of the future status of Formosa must await the restoration of security in the Pacific, a peace settlement with Japan, or consideration by the United Nations."

Whether this proclamation heralded a reversal of policy depended on the way in which it was to be implemented. The advocates of all-out aid for the Nationalists were quick to hail every sign of increased American support for Chiang as evidence of a drastic policy change. Following consultations with General Douglas MacArthur in Taiwan, Generalissimo Chiang announced on August 2 that agreement had been reached on all problems discussed, and that "our struggle against Communist aggression will certainly result in final victory."

These developments were welcomed by some observers, who stressed the great military value of the island itself and the usefulness of the Nationalists as an anti-Communist force. Others, however, noted that while the chief strength of the American position in Korea was its United Nations support, the reinforcement of Taiwan was a unilateral action. Should the Chinese Communists attack the island, nations—such as India and Britain—which have recognized the Peiping regime, would probably consider it part of a civil war rather than an act of aggression. A military struggle between the United States and the Chinese Communists would be far more dangerous than the current war in Korea. Moreover, whatever sentiments of a Titoist character might exist in China would indubitably be weakened by forcing Peiping into open hostilities with this country. Finally, these critics doubted if, even from a military point of view, Formosa would be essential to American defense. These considerations were brought into sharp focus by mordant criticisms of United States policy appearing in the press of Britain and France as well as of India and other Asian countries.

* For discussion of the chief alternative policies and the economic situation in Formosa see *Foreign Policy Bulletin*, December 23 and 30, 1949.

UN Inquiry

At this point quick action was forced by two documents: Chinese Communist Foreign Minister and Premier Chou En-lai's complaint to the UN regarding American action on Formosa; and General Douglas MacArthur's message defending a strong policy to safeguard Taiwan. The President's decision on Formosa had already been made before he saw a copy of the MacArthur statement. He authorized Warren R. Austin, United States representative in the UN, to counter the letter from Chou En-lai with a declaration welcoming an investigation of the Formosa question. Senator Austin declared that "the action of the United States was an impartial neutralizing action addressed both to the forces of Formosa and to those on the mainland. It was an action designed to keep the peace and was, therefore, in full accord with the spirit of the Charter of the United Nations. . . . We have no designs on Formosa, and our action was not inspired by any desire to acquire a special position for the United States." The letter made it clear that the United States did not wish to underwrite the Chiang Kai-shek regime. It affirmed that Formosa's "legal status cannot be fixed until there is international action to determine its future." If Peiping could hope to win the island at a conference table, it might be reluctant to commit vast numbers of men and costly equipment to a battle with the Seventh Fleet, even if such a course—as some have assumed—would serve the interests of the Soviet Union.

When the President, a few hours later, read the MacArthur message, he promptly ordered its withdrawal—too late to prevent publication. Lest there be any possible misunderstanding, however, the President went on to assert, on August 31, that the Seventh Fleet would be withdrawn from Formosa when the Korean conflict had been settled. The next day in his radio "Report to the Nation" he said: "We do not want Formosa or any part of Asia for ourselves. We believe that the future of Formosa, like that of any other territory in dispute, should be settled peacefully. We believe that it should be settled by international action, and not by the decision of the United States or any

other state alone. The mission of the Seventh Fleet is to keep Formosa out of the conflict. Our purpose is peace, not conquest." As a further bid to the Chinese Communists to avoid military action, the President said: "We hope in particular that the People of China will not be misled or forced into fighting against the United Nations and against the American people, who have always been and still are their friends. Only the Communist imperialism, which has already started to dismember China, could gain from China's involvement in the war. The Communist imperialists are the only ones who can gain if China moves into this fight." The same day in the Security Council the United States agreed to place on the agenda Peiping's complaints regarding alleged American bombing in Manchuria and to support a commission of investigation.

These moves do not constitute an outright withdrawal from the defense of Taiwan, but they do indicate a more conciliatory policy toward the Chinese Communists, who will probably be invited to send a delegation to Lake Success when the Taiwan question comes up for discussion. Meanwhile, the stock of the Kuomintang regime in Taipei has gone down, and its American supporters have begun to push this issue to the forefront in the election campaign.

Clearly, however, the danger of hostilities with the Chinese Communists and the desirability of strengthening our ties with the leaders of Asia, as typified by India's Pandit Nehru, have taken first priority as determining factors in American policy regarding Taiwan. Defense of the island and the Chinese Nationalists, while not renounced for the time being, has been reduced in importance.

Although considerable time may be consumed in debates over the status of Taiwan, and actions may be undertaken which will delay the date when Peiping can take over the island, in the long run the vast area and population of the China mainland weigh far more heavily in the scales of the world balance of power than the Formosan thorn in the flesh. This overriding reality will ultimately determine American policy regarding Taiwan.

FRED W. RIGGS

News in the Making

AUSTRALIAN SUPPORT FOR UNITED EUROPE: In a move indicating stronger support by the dominions for British participation in European affairs, Australian Minister for External Affairs Percy C. Spender said at a press conference in London on September 4 that Australia favors closer ties between Britain and the continent of Europe and expressed approval of a European army which would include British units. Hitherto Britain has contended that such ties would be opposed by the dominions.

MORE APARTHEID FOR SOUTH AFRICA: The segregation policy of Dr. Daniel F. Malan's Nationalist government in South Africa is expected to gain new emphasis as the result of his party's clean sweep of elections in Southwest Africa on August 30. The addition of six new Nationalist members in the lower house reduced Dr. Malan's reliance on Nicolaas Havenga's Afrikaner party, until now a moderating influence in the coalition cabinet. The "integration" of Southwest Africa, a League mandate, into the Union has embroiled South Africa with the UN.

BRITISH MACHINE TOOLS FOR RUSSIA: Heated controversy has stirred Britain since Opposition Leader Winston Churchill charged in a political broadcast on August 26 that the Labor government has condoned shipments of machine tools to Russia. Prime Minister Clement R. Attlee replied on September 2 that the shipments were made under the 1947 Anglo-Soviet trade agreement and therefore did not come under the ban applied by the government eighteen months ago.

NEW TROUBLE FOR THE BALKANS: New trouble is brewing in the Balkans where Bulgaria, relying on a 1925 pact with Turkey, early in August delivered a virtual ultimatum to Ankara demanding the reception within three months of some 250,000 Turkish residents of Bulgaria. Implementation of this demand would throw a heavy burden on the new Turkish government, and Communist agents might be introduced among the refugees. Bulgaria, for its part, would eliminate a substantial unassimilated minority.

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Western Allies Debate Method of German Rearmament

WASHINGTON—The Truman Administration is ready to abandon the policy for demilitarizing Germany which it adopted in 1945 with its principal allies of that time, Britain, France and the Soviet Union. Many high officers in the American armed forces have long advocated the rearming of West Germany, but they were out of step with the State Department until Secretary Dean Acheson said on September 6 that the strength of West Germany should be brought into the defense program for Western Europe. Mr. Acheson was to discuss the matter with British Foreign Secretary Ernest Bevin and French Foreign Minister Robert Schuman at their conference in New York City which opened on September 12. The case for demilitarization finally collapsed in Washington under the pressure of the Korean war, which each day strengthens the determination of the Administration to increase the military strength of the non-Soviet world. The growth of the armed police force (*Bereitschaften*) in Eastern Germany since the United States, Britain and France on May 23 protested to the Soviet Union against its existence and the prospective modification of the Occupation Statute for the purpose of increasing the authority of the West German government in home and foreign affairs also contributed to the change in policy.

What Kind of Rearmament?

The difficult question is what form German rearmament should take. Should the West German government have the privilege of raising and controlling an

army? Or should a West German force be created only as a part of a Western European army?

Britain opposes the establishment of a national army directly under the control of the West German government. It also apparently opposes the development of a German armaments industry. Yet the possibility of giving West Germany a place within a general European force seems remote because the plans for creating such a force do not exist. With West German representatives participating, the Consultative Assembly of the Council of Europe in August adopted 89 to 5 a resolution for the creation of a "unified European army." Winston Churchill, author of the resolution, indicated that he meant West Germany to be included in the proposed continental force. The vote on the resolution did not bind the governments of the nations represented in the Assembly, and the recommendation has not been acted upon. The military committee of the North Atlantic pact countries, which met in London soon after the Assembly, stressed the development of separate national defense forces according to a central plan rather than the establishment of an international army. Some American officials suggest that the United States should prod Western European nations (all of which except West Germany and Spain are Atlantic pact nations) into carrying out Mr. Churchill's proposal. A European army incorporating German units would, in their opinion, give Europe the advantages of a military partnership with Germany while eliminating possible disadvantages, for German chau-

vinists could not easily exploit German units over which the Bonn government would have no direct control.

Another obstacle to the implementation of the new United States policy is the attitude of the Germans themselves toward rearmament. The American information program in Germany has included criticisms of German militarism. Carlo Schmid, a leading German Social Democrat, commenting on the Churchill resolution, told the Council of Europe that "the day when the first German armored division is created between the Rhine and the Elbe, the Russians will have their best pretext for attacking." Although most of the Germans attending the Assembly supported Churchill, many Germans had opposed their country's participation in the Council of Europe. When the lower house of the West German Parliament on June 14 debated the bill accepting the invitation of the Council to join as an associate member, the vote on it was 220 in favor to 152 against.

Dr. Konrad Adenauer, Chancellor of the West German state, however, apparently favors the establishment of a German force. "I am opposed in principle to any remilitarization of the West German Republic and, therefore, also to the establishment of a new German army," he said on December 4, 1949, but three days later he declared that it should be possible for Germans to take part in a European army. When Dr. Adenauer recommended on August 17 the establishment of an armed force at least as large and strong as the *Bereitschaften* in East Germany, which numbers 60,000 men and is armed with

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tanks, it was not clear whether he was asking for a police force or an army. The West German force "must be strong enough to ward off any possible aggression by the Soviet zone People's Police (*Bereitschaften*) in the Korean manner," he stated. The American-British-French note of protest to the U.S.S.R. last May stated that the members of the People's Police "receive basic military training and are not employed on normal police duties. . . . A number of former high-ranking German army officers are employed in the force." In Washington on September 5 John J. McCloy, United States High Commissioner, implied that the Eastern police force is in effect an army, which only an army could counter.

U.S. Defense of Germany

Even after the United States has consulted Britain and France, it cannot finally decide what kind of fighting force West Germany should be permitted to raise

until it sets the rôle this country is to play in the maintenance of European security. Until now the Administration has assumed that our European allies, with the help of American matériel and counsel, will supply the bulk of manpower to guard their continent. The only forces the United States now assigns to Europe are the occupation troops in Germany and Austria, estimated at approximately 100,000 men, and the air squadrons based in Britain. Dr. Adenauer on August 17 requested the United States to strengthen its forces in Germany. "The people of West Germany fear that twice more their country may be subjected to scorched earth, once in an invasion by Russian troops and then again in liberation by the West," he said. "Such a fear can be dispelled only if more United States troops are established here." On August 31 President Truman said he had no plans for increasing American forces in West Germany. On September 9, apparently reversing his previous view,

he announced that on the recommendation of the Joint Chiefs of Staff concurred in by the Secretaries of State and Defense he had approved proposals for "substantial increases" in the strength of United States forces in Western Europe. He added that "a basic element in the implementation of this decision is the degree to which our friends match our actions in this regard."

President Truman's new proposal has Republican backing, inasmuch as Senator Henry Cabot Lodge, Jr., of Massachusetts, a Republican leader in foreign affairs, on September 8 advocated the dispatch of ten United States divisions to Europe in order to reduce the likelihood of war. The ability of our allies to complement the Truman proposal soon, however, is debatable. Neither France nor Britain is ready now to increase the size of its national forces beyond the newly authorized levels or to establish a federated army and air force.

BLAIR BOLLES

What is Russia's Over-all Strategy Today?

Public interest in the United States has been focused with such intensity on Russia's UN Delegate Jacob A. Malik that relatively little attempt has been made to analyze the current strategy of the government for which he speaks. No one, even among the most fervently self-confessed ex-Communists, claims to have first-hand knowledge of Stalin's thinking. But, as a former Moscow correspondent of long experience, Alexander Werth, points out in *The Nation* of September 9, few public efforts are made to glean and sift such information as can be readily obtained from close study of Russian pronouncements at Lake Success and from broadcasts and newspaper stories addressed by Moscow to the Russian people.

Does Moscow Want War?

The most important single impression derived from these various sources is that the Kremlin, for the time being at least, is anxious to avoid a general war. Whether this attitude is due to fear of the atomic bomb—as Winston Churchill and some military leaders in Washington believe—or reluctance to have Russia again endure severe human and material losses five years after a devastating conflict from which it has by no means recovered, or from other reasons, such as conviction that it can win by political means short of war, depends on one's general estimate

of Russian policy. There is little evidence that the Russian people are suffering from the atomic bomb jitters recently experienced here—perhaps because they know less than we do about the new weapon. But there is considerable evidence that the Russian men and women in the street dread another war when they are still toiling at tasks of reconstruction; and the long-term character of some of these tasks, notably irrigation and reforestation projects and new building programs, does not indicate that the country lives in daily expectation of a major conflict.

So far as can be determined, the Soviet government avoids statements at home that might create war hysteria—having apparently learned from an unhappy experience in the early post-war period that emphasis on war prospects, instead of arousing the anticipated enthusiasm, paralyzed the people's will to work. Where Soviet spokesmen place their emphasis is on the nefarious intentions of the United States, pictured as the sole source of aggression against the U.S.S.R. and the "people's democracies"—while the aims of Britain and France are discreetly softened. The impression is thus created that if only America could be reduced in power, all danger would disappear, and Russia could proceed unhampered with the development of a peacetime economy.

The desire to avoid a general war evi-

denced by Moscow does not preclude the use of other methods to achieve the short- or long-term objectives of the U.S.S.R. Among these methods local conflicts in controversial areas, where native forces trained and equipped with the aid of Russia would challenge Washington's containment policy, may become more important than they have been considered in the past. Until Korea it seemed reasonable to assume—and was apparently assumed by State Department planners, since no significant preparations were made for a series of military operations along the periphery of the U.S.S.R.—that Stalin would act differently from Hitler and would not seek a military showdown with the Western powers, even in regions relatively distant from the United States where Russia might have good chances of winning.

The Korean conflict does not yet give cause to alter this over-all judgment. Moscow had no reason to believe that a North Korean invasion organized with its aid would encounter American opposition—for United States spokesmen had previously indicated that in their opinion South Korea was both indefensible and, from the point of view of this country's strategic interests, not worth defending. The prompt decision of the United States to resist aggression and to do so under the aegis of the United Nations apparently

came as a complete surprise to Moscow. While this may be regarded as a failure of Soviet intelligence services, it must be admitted that President Truman's move of June 25 also surprised the rest of the world, as well as most Americans. What the Russians thought was a calculated risk turned out to have been miscalculated.

While the Kremlin has denounced the decisions taken by the United Nations Security Council during its seven-month boycott and has made every effort to expunge them from the record, it has not been insensible to world condemnation of the Korean invasion. It would be unrealistic to expect, as some observers do in this country, that Russia will publicly admit its error and withdraw from the position it has taken since June 25. It is with full knowledge that ways and means must be found for "saving face" for a great power that India, anxious to avert the spread of war, has made its so far abortive attempts to bring about discussion of the larger issues involved in Asia.

Three-Pronged Policy

While the U.S.S.R. may be expected to persist in its present course of avoiding a general war, it will probably continue and expand its three-pronged short-of-war policy. First it will keep on encouraging nationalist movements in Asia, placing the United States and the remaining colonial powers of Europe in the dilemma of either resisting nationalism or else accepting, for example in Indo-China, regimes inspired, if not necessarily enslaved, by Communist ideas. Second, it will probe "soft spots" along the far-flung periphery where it is contending for influence with the West, thus placing Communists like

Marshal Tito or "reform" governments like that of General Ali Razmara in Iran in the dilemma of having to make a clear-cut choice between the two opposing sides when they would prefer to steer an independent course. This will also make it increasingly difficult for the West to concentrate its military and economic efforts on any one danger spot, thus dispersing the newly forged might of the United States which could otherwise be concentrated on the U.S.S.R. Yet should Americans demand "preventive war" against Russia, they will find little support among European and Asian nations which still hope to avert a general holocaust.

And, third, the U.S.S.R. remains convinced that sooner or later the complex economies of the Western nations will crack up under the strain of increased armaments, bringing severe inflation in its wake with resulting popular discontent climaxed by revolution. Over the long run Russia's most promising "secret weapon" may turn out to be not some extraordinarily powerful bomb but the simple fact, too often overlooked here, that while the Russian people have a low standard of living as compared with the West, every step forward they take, no matter how modest, represents improvement; while in Europe, where the workers' standard of living is nothing to boast about in American terms, any diminution in the output of housing and consumer goods will represent a depressing decline.

To meet this three-pronged policy without resort to war, the United States will need more than vastly expanded armaments. It will need far greater comprehension of nationalist aspirations in Asia than has yet been shown here, with more

adequate economic aid to underdeveloped countries. President Truman's directive of September 8 to Secretary of State Dean Acheson initiating application of the Point Four program marks a step in the right direction. The United States, no matter how opposed it is to "socialism" or "nationalization" at home, will have to become accustomed to the idea that if economic reforms are to be carried out in underdeveloped countries, many changes tantamount to revolution will first have to be effected in their social and political structure. And this country will have to pay more attention than in the past to the economic and social problems of the poorer sectors of the population in Western Europe. It is not enough, as some American labor spokesmen have already pointed out, to give financial aid to the Marshall Plan countries if this aid then fails to filter down to the workers. Nor does it help anyone but Communist propagandists to take a "let-'em-eat-cake" attitude toward complaints of Europeans that more arms jeopardize recovery.

Such successes as the Kremlin has achieved in world affairs since 1945—and it must be borne in mind that it has made many blunders—have been due not solely to its own shrewdness and ingenuity. In part at least they have been due to lack of understanding by the Western powers of the forces shaping our fast-changing world. Instead of merely waiting to see what Moscow will do, and then doing the opposite, it might be well to decide what the West wants to see accomplished. This would both clarify the aims of the United Nations and strengthen their determination to achieve these aims.

VERA MICHELES DEAN

Japan Peace Treaty Both Necessary and Hazardous

The Korean war has brought to a head the long-standing problem of finding some way to negotiate a peace settlement with Japan. Thus Assistant Secretary of State for Far Eastern Affairs, Dean Rusk, on September 9 declared that "the time has come to move toward a Japanese peace settlement," and General Douglas MacArthur, consistent exponent of a treaty, affirmed as recently as September 1 that Japan was unconditionally qualified "to resume membership in good standing in the family of free nations." Communist aggression in Korea has greatly strengthened sentiment in Japan for a treaty accompanied by military guarantees against

Russia, and the diversion of occupation forces to Korea has increased Washington's eagerness to build up Japan as an ally.

The United States is obligated by previous agreement to negotiate the peace treaty jointly with the Soviet Union as well as with other World War II allies. General acceptance of a treaty, however, appears most unlikely. In addition to the problem of Russia's insistence on the veto power in the negotiations and our unwillingness to exclude equal participation by all wartime allies against Japan—problems which have heretofore blocked even preliminary discussions—we now face the

difficulty of determining who should represent China.

If over-all agreement cannot be reached, should the United States, in conjunction with the other Western allies, conclude a separate treaty with Japan? Persuasive arguments are offered in support of such a policy. The attempt to remodel Japan along democratic lines has reached a point where its chances for success will be seriously injured unless the occupation is promptly ended. The cost of the occupation and of American subsidies to the Japanese economy—some half billion dollars a year—might be cut from our overburdened national budget. If the Jap-

anese people are to provide effective aid to American forces in the event of Communist attack—an eventuality which appears more likely after the Korean invasion—they must be convinced that they are fighting in their own interests. They must also have a stable economy and probably some defense forces of their own. Some observers have seen the beginnings of such a force in the “national police reserve” of 75,000 men authorized by General MacArthur on July 8 to supplement the 125,000 local police now in uniform.

A Separate Peace Treaty

A debate has been raging in Japan itself between the proponents of neutrality, a separate peace and an over-all peace treaty. The Korean war brought a general shift in public opinion not only to support of a separate peace but also to acceptance of the idea of granting bases and rights of military movement to the United States. This position received official, although guarded, expression in the Japanese White Paper on Korea, issued on August 19, which declared that “to cooperate with the democracies and assist in strengthening their unity should be considered as nothing less than a measure for our own self-defense.”

The conclusion of a separate peace, however, would give rise to many difficult problems—economic, military and political. The vast population of Japan, crowded into its small homeland, must depend on trade for raw materials and food to maintain even a minimum standard of living. The bulk of this trade, however, would naturally take place with the Asiatic mainland and especially with areas now under Chinese Communist control. In lieu of such trade—now politically inhibited—the United States has been providing a tremendous subsidy which, however, is as unpopular in Japan as it is with the American taxpayers. Yet only agreement with Peiping can clear the way for a viable, permanent solution to Japan’s economic needs. Although China has much to gain by importing Japanese machinery and equipment, it does not need them so much as Japan needs coal, iron, soy beans and cotton from the mainland. Thus the Chinese

would hold the whip hand in any commercial negotiations, being in a position to demand concessions beneficial to the Communist cause. Moreover, once trade has been restored, China could by a sudden embargo throw the Japanese economy into a catastrophic tail spin. The Russians also hold important economic counters—especially the fishing rights off the Siberian coast—which heretofore have been of basic importance in providing food for Japan.

These economic levers could be used by the Communists to further their joint interests as against Japan. Attention in this country has been focused on the possibility of conflicting interests between Russia and China over the northern provinces. But what has been largely overlooked, as Walter Lippmann recently pointed out, is the common interest of China and Russia in preventing the use of Korea by any off-shore power as a beachhead for the invasion of the mainland. The Japanese conquest of Korea, following the Sino-Japanese war of 1895, led directly to the occupation of Manchuria and then to the invasion of China proper, while from the same base Japan fought against Russia in 1905 and after World War I occupied eastern Siberia.

Chinese Reactions

The Sino-Soviet treaty of February 14, 1950 pledged the signatories to aid each other in the event of a “repetition” of aggression by Japan or any state united with it in such action. Thus the Communist move in Korea, by precipitating American—although UN-sponsored—action to defend the Korean Republic, has been portrayed in China as a revival of the classic form of Nipponese aggression. The fact that American forces came from Japan and that the Japanese have been rendering support from the rear serves to bolster these Chinese apprehensions. Should the United States now sign a separate peace with Tokyo and aid in the creation of a Japanese army, this will tend to confirm the Communist argument that Washington is planning imperialist aggression in Asia. Not only would this apparent confirmation help to dispel any Titoist doubts in Peiping, but it would reinforce the skepticism regarding Western objectives

which is already prevalent throughout Asia.

A separate peace, moreover, would put the Communists in an excellent bargaining position. Not only could they re-establish trade with Japan, but they might offer to return the Kuriles and support the retrocession of the American-held Ryukyus, as well as promise a nonaggression treaty. In return they would demand concessions that would strengthen the Japanese Communists, weaken or eliminate Western military installations, and neutralize Japan as a whole. In such action they could count on support within Japan not only from outright Communists, but also from certain militarists, idealists and business men. If the Yoshida government, currently based on the parliamentary majority of its conservative Liberal party, should encounter acute post-treaty economic difficulties, as it well might, there could follow a swing of public opinion that would bring power, if not to the Communists, at least to the Socialists and other center groups who have not, as yet, committed themselves to a pro-Western orientation.

Some alternatives to a separate peace have been suggested, such as granting the Japanese government real autonomy without benefit of a formal treaty, or submitting the question to the United Nations. Whatever is done it seems clear that important as it may be to conclude a peace treaty with Japan, there are long range considerations affecting every facet of the Far Eastern situation which must be taken into consideration in reaching any decision.

FRED W. RIGGS

FPA Council Meeting

The autumn meetings of the FPA Council of Branches and Affiliates will take place at National Headquarters on September 22 and 23. Representatives will consider questions of policy, exchange experiences on local operations throughout the country and engage in round-table discussions.

Next Year in Jerusalem: The Story of Theodor Herzl, by Nina Brown Baker. New York, Harcourt, 1950. \$2.50.

A popular biography of the founder of Zionism.

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Western Rift Over Germany Shows Need for UN Action

With a UN military victory in Korea apparently assured, the series of meetings held at the Waldorf-Astoria in New York during the week beginning September 12—first by the Big Three foreign ministers, then by the foreign ministers of the 12 North Atlantic pact nations—brought the announcement than an act of aggression against the West German state would be regarded as an attack on the United States, Britain and France. However, an important difference of opinion emerged about the use of Western Germany's manpower and material resources in any proposed security arrangements.

In advance of what had been regarded as the most significant diplomatic gathering on European affairs since 1945—a gathering whose success hinged on a free exchange of views by the participating nations—American officials had set forth the position of the United States* in a way which seemed to preclude real discussion. At the Big Three conference Secretary of State Dean Acheson presented a "single-package" program which combined President Truman's pledge of September 9 to send "substantial" American reinforcements to Europe with the requirement that German units should be organized as rapidly as possible and fitted into a European army under a single command. This apparently unexpected approach to one of the most crucial issues in Europe—the future position of Germany—startled British Foreign Secretary Ernest Bevin and French Foreign Minister Robert Schuman, who found it neces-

sary to ask their governments for instructions although they had just arrived from their respective capitals. In the meantime Mr. Acheson expounded the same program at the North Atlantic pact conference. Canada, Italy and the Netherlands supported the American view, while Britain and France maintained their previously stated positions.

When are German Forces Safe?

The fundamental divergence between Washington on the one hand and London and Paris on the other is not whether Western German potential should be utilized in a European defense effort but how and when it should be put to use. Britain, and France even more, welcomed the news that the United States would send reinforcements to Europe—one American spokesman mentioned ten divisions—and were relieved to learn that General George C. Marshall, whose interest in the European continent had been demonstrated by the Marshall plan, would become Secretary of Defense.

The two principal Western European nations, however, do not think it wise either to create German military units or to start production of armaments in German factories until they themselves acquire sufficient military strength so that they could resist any attempt by Germany to resume an expansionist policy. Americans who have not experienced the horrors of German bombings or of outright German conquest are not always sympathetic to Europe's anxiety about the ultimate intentions of the Germans, who, in the opinion of their long-suffering

neighbors, may not have reformed as much as some of us have hoped. The Western European nations are also more aware than the United States of the legitimate fears Russia and Eastern Europeans may have about the resurgence of a militarized German state. Western European countries therefore dread the possibility that any move to form German military units—as distinct from an armed police force comparable to the *Bereitschaften* in Eastern Germany—may bring about the very aggression by Russia they are now being urged by Washington to avert.

From the American point of view the principal objective now is the creation and arming of as large a military force in Western Europe as possible. Since the United States must contemplate the possibility of fighting on two fronts, across two oceans, it cannot concentrate all its military resources in Europe. The Western European nations, for their part, contend that in their still precarious economic condition they cannot divert much more of their limited manpower to military service without jeopardizing their living standards and thereby creating conditions conducive to internal tension and strife which would redound to Russia's benefit. Under these circumstances Western Germany in Washington's view offers the only ready reservoir of additional manpower and war material—although the Germans themselves have so far shown a marked reluctance to consider remilitarization. The tragic irony of seeking the return of the Germans to the international community in the military role

*See Blair Bolles, *Foreign Policy Bulletin*, September 15, 1950.

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for which they were denounced in two world wars has been more widely noted in Germany and on the continent generally than in the United States.

The Psychological Problem

The problem that needs to be resolved between the United States and its Western European partners is not solely military or economic: it is also psychological. Britain and France have at least as good a picture of the perils of the current period as the United States, and in case of a general war they would again be in the front line of attack. They are willing to take risks, but since they lack the natural resources and the fortunate geographic position of the United States, they are more inclined than Americans to cut their coat according to their cloth. Moreover, having a much longer experience than the United States in dealing with Russia, both Tsarist and Communist, they are less given than this country to

sharp oscillations of attitude toward Moscow.

In negotiating with Western European nations about the future of Germany, the United States faces a major test of its ability to win its objectives by diplomacy, as distinguished from military or financial means. A comparable test will face Washington in projected negotiations for a peace treaty with Japan which would provide for rearmament of the Japanese and maintenance of American military "facilities" on Japanese soil. Until now, in spite of an inherent desire to cooperate with other nations on a basis of equality, Americans have frequently acted as if international negotiations were a simple business transaction, using a "take-it-or-leave-it" tone which is not well designed to win lasting support.

Washington is justified in asserting that it has no imperialistic aims, if by imperialism is meant territorial expansion. The greater the power of the United States, however, the stronger will be the

temptation to notify other countries that they must accept the course we set or else suffer the consequences of opposing us. The only way in which this temptation can be minimized is to present our policies for scrutiny and debate not merely in gatherings of three, or twelve, nations which depend on us for military and economic aid, but in the world forum of the United Nations, to which we did not hesitate to resort in the case of Korea. There were cogent reasons for not thrusting on the United Nations at the outset problems of peace-making with the enemies of World War II. But if these former enemies are now to be not only offered, but actually urged, to seize the opportunity to rearm, this is no longer a problem for the United States alone or for United States relations with Western Europe. It is a world problem, which calls even more urgently for United Nations consideration than such issues as Formosa or Eritrea.

VERA MICHELES DEAN

Marshall's Appointment Augurs Policy Harmony

WASHINGTON—The United States has seldom needed a military secretary with a knowledge of contemporary international political affairs as urgently as it does today. For that reason President Truman's nomination on September 12 of General George C. Marshall as Secretary of Defense, in place of Louis Johnson, will strike many persons as wise, in spite of the hostility which the selection aroused at the Capitol, where 21 Senators and 105 Representatives voted on September 15 against the legislation necessary to allow a military man to take this civilian post.

As Secretary of State from 1947 to 1949, General Marshall inaugurated many of the chief features of contemporary United States foreign policy, notably the European Recovery Program and the North Atlantic pact—the latter being signed after his retirement. General Marshall also developed the policy of emphasizing our interests in Europe and minimizing those in Asia, which his successor in the State Department, Dean Acheson, followed until war broke out in Korea this summer. "Rich and powerful as we are, we cannot afford to disperse our efforts to a degree which would render all ineffective," Secretary of State Marshall said in an address at the University of California on March 19, 1948. "Every region has its claims and its proponents,

and it is therefore necessary to decide on a general strategy to be employed, having in mind the entire world situation." During the past year military men have advocated a more active policy for the United States in Asia. The prospect of an eventual United Nations victory in Korea calls for redefinition of "general strategy" by the Departments of State and Defense working together in harmony.

Diplomats' Military Policy

The tendency of the State Department to rely on military strength in attempting to achieve its foreign policy objectives makes the Defense Department an indispensable factor in the formation of policy, but the inability of ex-Defense Secretary Johnson to develop a good working relationship with the State Department has led to a dangerous absence of rapport between military and foreign policy. Under these circumstances the United States has been offering its friends abroad military help which it cannot actually provide for many months. For example, when President Truman disclosed on September 9 that he had approved the recommendation of the Joint Chiefs of Staff for "substantial increases" in the strength of American forces in Western Europe, the country lacked the military personnel to carry out the proposal.

In June, at the outbreak of the Korean war, the Army consisted of ten divisions. The reserves and conscripts taken into the force and the activation of National Guard units during the past two months have not greatly increased the number of men in uniform. The President's proposal of September 1 for increasing the 1.5 million in the armed forces in June to 3 million will scarcely be realized before late 1951. The forces required in Korea, in occupied areas and in the Western Hemisphere leave few available for assignment elsewhere. General Marshall can help President Truman and Secretary Acheson decide whether it is discreet for the United States to inspire overconfidence in its allies by promises of aid in advance of our ability to give it.

While the end of the Korean war would probably make possible the dispatch to Europe of troops now engaged there, the military establishment must take into account the possibility that victory in Korea would dry up American interest in the expansion of the armed forces. In March 1948 President Truman and General Marshall both urged Congress to put the United States in a "military posture" because, as General Marshall said, "we must show conclusively by decisive legislative action to all the nations of the world that

the United States intends to be strong and to hold that strength ready to keep the European world both at peace and free" and because "diplomatic action, without the backing of military strength, in the present world can lead only to appeasement."

While Congress, under the spur of the Czechoslovak coup, responded to the Truman-Marshall appeals by re-enacting the draft, nevertheless in the first months of 1950 the armed forces had less than their authorized strength. Aroused by the Korean crisis, Congress is passing an appropriation bill (already approved in slightly different versions by both House and Senate) to provide us once more with that "military posture" which the White House and State Department sought over two years ago. The bill adds \$11,736,094,000 to the appropriation for the military establishment in the current fiscal year. Congress earlier had appropriated \$13 billion for the armed forces. The bill will finance not only enlargement of the personnel of the Army, Navy and Air Force, but it will also enable the armed

forces to purchase new material in large quantities. The \$13 billion appropriation included \$636 million for Army ordnance. The new appropriation adds \$1,438,221,000 to that sum. The Army will be better armed than it has been since World War II.

What Next in Korea?

The change in the Defense Department coincided with the arrival of good news from Korea, where United Nations forces on September 14 made amphibious landings at Inchon, the Yellow Sea port which serves the capital city of Seoul, far behind the lines of the North Korean forces. The full success of this undertaking might presage the defeat of the North Koreans (although months of fighting may lie ahead) and, ironically, eliminate the underlying cause of the retirement of Defense Secretary Johnson—indignation over America's lack of preparedness to cope with the kind of military problem presented in Korea last June.

Victory will also force the Truman Administration to decide three political

problems which are related to our military capacity. The first is whether the United Nations forces should pursue the North Koreans beyond the 38th Parallel, which before the war was the boundary between the two Korean republics, and take control of the North Korean territory, which borders on the Soviet Union. The second is whether the United Nations, which relies mainly on American forces, should occupy Korea militarily. The third is whether the United States should develop a strong military policy in Asia. The decision on each of these three questions will affect the work of Secretary of Defense Marshall, whose record suggests that he will not support those military men who, in the previous Defense administration, urged a "big-stick" policy in Asia and the launching of a "preventive" war against the Soviet Union. "War is not the choice of those who wish passionately for peace," he wrote in his final report as Chief of Staff in 1945. "It is the choice of those who are willing to resort to violence for political advantage." BLAIR BOLLES

Will Smuts' Death Produce Political Realignment?

The death on September 11 of General Jan Christiaan Smuts, following the sweeping success of Dr. Daniel F. Malan in the South-West Africa election on September 1, focuses attention on persistent rumors that some realignment of parties will sooner or later take place in the politics-ridden Union of South Africa. So far there has been more talk than action. In the early months of 1950, however, South Africans of all groups were very willing to express, in private, their concern about the marked deterioration in race relations, the persistent suspicion of European for European and the uncertain future of existing party affiliations should time or some untoward incident remove aging political leaders.

Underlying Agreement

To an outside observer the striking thing about the private comments of Europeans in the Union is their similarity, despite the avowed association of different speakers with rigidly opposed political groups. On some of the major issues of South African life today there is more agreement among English-speaking and Afrikaans-speaking Europeans than one would suspect from listening to public statements of policy or from reading

editorials or other comment in either the English or the Afrikaans press.

On the all-important issue of native policy, for example—excluding the small minority (English-speaking as well as Afrikaans-speaking) who stand for a deliberate policy of racial repression and the so-called (mainly English) "liberals" who preach some form of equality—most Europeans seem in broad agreement about objectives, although they may differ a good deal about tactics. Many a Nationalist privately admitted uncertainty as to how far the Malan government's policy of *apartheid* (segregation) could be carried into practice; and most United party supporters of General Smuts agreed that some form of segregation is what they and the majority of Europeans in South Africa want. Some leading United party members even go so far as to suggest that the electoral success of the *apartheid* slogan was due partly to the fact that the Nationalists were, indeed, "feeling their way towards" a positive program on the native question, which sooner or later all Europeans must work out and apply, or else give up the idea of white supremacy in South Africa.

All this emerges from private discus-

sion. The lines of public controversy are much more rigidly drawn, obscuring the marked degree of individual agreement that impresses the outside observer. There is thus a certain unreality about political life in the Union today. With this also goes a grim struggle to retain or to gain office rather than to advance clear political principles. Such contentious questions as the abolition of the franchise for the Cape Colored population (mainly half-caste) and assisted immigration from Britain appear to be considered much less from the point of view of principle than from that of their effect on the electoral prospects of either party. But artificial prominence is still given in the Union to racial, cultural and religious differences which elsewhere in the world have largely been replaced by sharp economic conflicts. The visitor to South Africa is struck by the intensity of feeling over such matters as the introduction of single-medium (Afrikaans-speaking or English-speaking) schools in the Transvaal, the alleged views of the Dutch Reformed Church on "Christian National Education" and the strength and multiplicity of organizations concerned with fostering Afrikaner or English (as distinct from South African) culture.

At this point one important qualification should be introduced. Contrary to a view widely accepted outside South Africa that there is a persistently bad personal relationship between Englishmen and Afrikaners in the everyday life of the Union, the writer found substantial cordiality between English-speaking and Afrikaans-speaking Europeans in South Africa. Englishmen who are strongly critical of Nationalist policy or of some declared Afrikaner objectives go out of their way to impress on visitors how much they respect the Afrikaner as an individual—but always outside of politics.

Where political conflict does express itself in bitter personal relationships, it is between Afrikaner and Afrikaner, between the supporters and the opponents of the Malan government among the Afrikaans-speaking people of the Union, between those Afrikaners who opposed and those who favored South Africa's intervention in World Wars I and II, between those who see in the Malan government's program the triumph of Afrikaner culture and those who fear it as introducing a racial, authoritarian, potentially Nazi state. This widespread bitterness is perhaps most noticeable in the Orange Free State. It is the feeling almost of brother against brother. Nor is it solely concerned with the memories of the dead past. It is also bound up with struggles for place in the educational and business worlds, in the professions no less than in politics. It is certainly one of the most disquieting impressions an observer carries away from South Africa.

Causes of Conflict

Indicative of the extent to which politics rather than economics still dominates the life of the Union is the fact that the controversies of the South African (Boer) War of 1899-1902 remain very much alive today, despite the lapse of half a century. The very language of the country is steeped in those controversies. For example, the term "concentration camp" has one meaning today for Americans, Europeans and Australians and another for South Africans, for whom it revives memories of the sufferings and deaths of Boer wives and children as a result of the diseases which spread through the camps

into which the British herded Boer civilians whose farms had been destroyed during the war.

The persistence of these strongly emotional nineteenth-century rivalries, reinforced by the natural resistance of the vested organizational interests of established political parties, retards what before the South-West Africa elections seemed a natural drawing together of the more moderate elements in Dr. Malan's Nationalist and Nicholaas C. Havenga's Afrikaner parties on the one hand and, on the other, those English and Afrikaner supporters of the late General Smuts who do not share the racial and other views of the small "liberal" minority in the United party. The greatly improved position of Dr. Malan's Nationalist party in the Union Parliament as a result of its South-West Africa success will doubtless make the Nationalists much less disposed to consider concessions to right-wing United party members weakened by the death of General Smuts. On the other hand, the tendency toward the formation of a strong middle party is encouraged by important economic trends in South Africa, and amalgamation may at any time be precipitated by the rapid deterioration of relations between Europeans and non-Europeans, which will be discussed in the subsequent articles of this series.

FRED ALEXANDER

(This is the first of three articles by Prof. Fred Alexander, head of the History Department at the University of Western Australia, who recently spent several months in the Union of South Africa.)

Branch and Affiliate Meetings

BOSTON, September 26, *Report From Korea*, Arthur B. Emmons II

ALBANY, September 28, *France and Germany in a United Europe*, André Philip

NEW YORK, September 28, *A Plea for a More Positive Policy*, James P. Warburg
POUGHKEEPSIE, October 2, *German-French Relations*, André Philip

LYNN, October 2, *The Future of Germany and American Foreign Policy*, Hajo Holborn

WORCESTER, October 3, *France and the Unity of Europe*, André Philip

PROVIDENCE, October 4, *European Union*, André Philip

EASTON, October 5, *European Union*, André Philip

News in the Making

MORE POWER FOR UN GENERAL ASSEMBLY: To overcome the weakness of the Security Council resulting from the unanimity requirement, the United States is proposing that the powers of the General Assembly be augmented so as to make it the mainstay of world security. Means to achieve this end might include provision for summoning the Assembly on 24-hour notice, for a world police force modeled on the Korean precedent, and for UN stand-by teams to make prompt impartial investigations of trouble-spots.

BRITISH STEEL: The Labor government's decision to go forward with the nationalization of the iron and steel industry is precipitating a political showdown which may lead to a new general election. Minister of Supply George R. Strauss announced in the House of Commons on September 14 that nationalization legislation passed last year would be implemented soon after next January 1. Conservative leader Winston Churchill immediately proposed a motion of censure which, after debate on September 19, will test Labor's slim seven-vote majority.

TOWARD CONTROL OF RAW MATERIALS: The first order of the National Production Authority, headed by William H. Harrison, curbing commercial stockpiling of 32 important war materials after September 18 is designed to limit manufacturers to a "practicable minimum working inventory" and will not directly affect consumers. A week previously, on September 10, French Premier René Pleven urged international control of raw material prices to check inflation.

TORQUAY TRADE CONFERENCE: The nations which signed the general accord on tariffs and trade negotiated in October 1947 will gather in Torquay, England, on September 28. The original purpose of the conference was to be the promotion of the unhindered flow of commodities throughout the world. As a result of the Korean war and increased defense needs the French delegation is expected to press for the creation of a preferential trading area including the North Atlantic nations.

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Positive U.S. Policy Still Needs Implementation

WASHINGTON—After five years of active participation in world affairs the United States is still groping to define its foreign policy in terms that are thoroughly acceptable to its allies and friends abroad. Secretary of State Dean Acheson illustrated this problem in his address^o to the United Nations General Assembly on September 20 when he expressed the hope that “a strong collective security system will make genuine negotiation possible” between the United States and the Soviet Union “and that this will in turn lead to a cooperative peace . . . as tensions begin to ease.”

There remains, however, the problem of finding suitable policies for the strengthening of the West's collective security system and the bolstering of individual countries outside the Russian zone of influence. Preoccupation with a search for plans to circumvent Soviet policy has recently put the United States so thoroughly on the defensive in world affairs that it stands in danger of losing the full-hearted support of its friends, who hesitate to mould their policy on this negative forge.

New Emphasis in Foreign Policy

Realization of this dilemma was apparent in Secretary Acheson's address, which in some respects differed in tone from his recent diplomatic statements. Whereas during the Foreign Ministers' conference in New York City a week earlier he had stressed the North Atlantic pact as the shield of American security, on September 20 he said that the United Nations is “now the foundation of our hope.” Instead of seeking strength through rearma-

ment alone, he said that “we must keep pushing ahead . . . with our efforts to advance human well-being, . . . carry on with our war against want, even as we arm against aggression.” Urging a wider distribution of the ownership of land and improved land use, he recommended that the United Nations “meet the challenge of human misery, of hunger, poverty and disease,” with Korea as the starting point. He proposed that the Economic and Social Council “set up a United Nations recovery force,” demonstrating “to the people of the world the creative and productive possibilities at the command of the United Nations.” The United States has seldom encouraged the use of these possibilities in the past, when programs devised by the Food and Agriculture Organization for combatting land problems and undernourishment were allowed to languish.

The United States, however, continues to develop the main lines of its policy in response to Russian initiative. To surmount the barriers to peace which he said the Soviet Union raises, Secretary Acheson proposed that the General Assembly increase the effectiveness of UN action against aggression by four steps: 1. Provision for calling the Assembly into emergency session on 24 hours notice “if the Security Council is prevented from acting upon a breach of the peace or an act of aggression”; 2. Establishment by the Assembly of a “security patrol, a peace patrol,” to observe and report from any area in which international conflict threatens; 3. Creation in the armed forces of each member nation of a United Nations

unit to be “continuously maintained in readiness for prompt service on behalf of the United Nations”; 4. Establishment by the Assembly of a committee “to study and report on means which the United Nations might use through collective action—including the use of armed force—to carry out the purposes and principles of the Charter.”

It is uncertain whether the large nations friendly to the United States will find the first three proposals any more acceptable than the recommendations for the establishment of a European army including German units which the British and French declined to approve in their conference with Secretary Acheson a few days before the convening of the General Assembly. Adoption of these proposals by the Assembly might bypass the Russian veto, since they would endow the Assembly with authority which the Security Council now monopolizes in questions concerning armed attacks and the establishment of a United Nations armed force.

None of the permanent members of the Security Council, however, has indicated willingness to have questions of aggression dealt with by a two-thirds Assembly vote. The absence of the veto would enable small countries and countries unlikely to take part in any armed conflict to vote for Assembly resolutions which might lead the major powers toward war, whether the latter wished it or not. Not only have Britain and France in Atlantic Pact conversations shown a strong sense of sovereignty regarding the use of their armed forces, but even the United States

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Senate implied as recently as 1949, during debate on the North Atlantic pact, that it favored the retention by the United States of a veto on whether or not it would go to war. In advance of approving the pact the Senate requested assurance from the State Department that the treaty would leave this country free to decide whether or not to fight if one of the allies were attacked. If such freedom was demanded in the North Atlantic area, presumably it would be demanded for the world area.

Congress and Positive Policy

Congress bears considerable responsibility for the negative emphasis in United States foreign policy. Congress is quick to vote large sums for military development; on September 23 it completed ac-

tion on the bill adding more than \$11 billion to the appropriation for the defense agencies and \$4 billion for the foreign military assistance program. But it is reluctant to vote funds "to advance human well-being" abroad, as it showed in its temporary opposition last January to the program for economic help to Korea, in the debate earlier this year on the Point Four program for underdeveloped countries and in the small appropriations which it approves for the UN specialized agencies. Concern over Russia and communism impelled the House and Senate to approve on September 23 over the President's veto a bill for controlling subversion in the United States through means which, President Truman said in his veto message, "would help the Communist propagandists throughout the

world who are trying to undermine freedom by discrediting as hypocrisy the efforts of the United States on behalf of freedom." The Senate on September 20 inserted in the new military appropriation bill a proposal to bar financial and economic aid to nations shipping to the Soviet Union or states in the Soviet orbit goods that could be useful in time of war. At the request of President Truman, the House deleted the proposal, which could disrupt the commerce of Europe and arouse new demands for American economic assistance. But these tendencies in Congress restrain the Administration from advocating policies more acceptable to our allies than the recent emphasis on attaining strength through arms for the single purpose of frustrating the Soviet Union.

BLAIR BOLLES

UN Nears Decisions on China

The question of who shall represent China is widely considered to be the most important issue before the fifth session of the General Assembly which convened at Flushing Meadow on September 19.

Russian Position

The Russians, since they first walked out of UN organs on January 10 in protest over the continued seating of the Chinese Nationalists, have given first priority to their demand that the Peiping regime be admitted to the UN. Acutely conscious of Yugoslavia's defection from the Soviet bloc, the Russians are losing no opportunity to tie Peiping to Moscow. The UN membership question—whether sincerely advanced or not—enables the Kremlin to pose as China's chief advocate while the United States, by continuing to treat the regime on Formosa as the government of China, has drifted into a position which weakens pro-American sentiment not only on the Chinese mainland but also in many other parts of the world.

Although the Chinese and Russians may have conflicting interests regarding such border areas as Manchuria, Mongolia and Sinkiang, they have parallel or complementary interests in two areas which are now in the forefront of world attention and which fundamentally affect the recognition question: Formosa and Korea. Peiping, in addition to a natural wish to acquire Formosa, has a fundamental interest in eliminating the Chiang Kai-shek regime which continues with

American support to occupy the Chinese seat in the UN. Regarding Korea, both Russia and China have a common interest in preventing an off-shore great power from utilizing this strategically located peninsula as a beachhead for invasion of the mainland—as Japan did during the 50 years from 1895 to 1945. The Russians, by detonating an explosion in Korea, undoubtedly hoped to end Western influence on the peninsula. The prompt UN intervention and the prospect of rapid allied advance northward past the 38th parallel could place American divisions on the borders of China's Manchuria and Russia's Siberia.

Conflicting views regarding American policy toward China have revolved around varying estimates of the Chiang Kai-shek regime. General Douglas MacArthur and some military leaders consider the defense of Formosa essential for American security. General MacArthur's attitude toward the Nationalists has been clearly stated by John Osborne in the September 25 issue of *Life*. Mr. Osborne reports that the General considers the armies of Chiang Kai-shek to be the largest anti-Communist force in Asia, of "high value," and that the United States "should assist, openly and fully, in building them to their maximum strength" in anticipation of their return to the mainland of China.

Other observers, however, see little hope of Chiang's making a comeback, despite reforms belatedly carried out in Formosa and despite reports of wide-

spread disillusionment with the Communists on the continent. Moreover, these analysts consider that the military value of Formosa to the United States has been overrated. Most important, they think that overt hostilities with the Chinese would be disastrous to the United States and the Western cause and might well set off a world conflagration. Consequently they urge withdrawal of support from the Kuomintang and recognition of Peiping. A resolution adopted by the national board of Americans for Democratic Action on September 24, as well as recent columns by Walter Lippmann, give expression to this attitude.

The Truman Administration, caught between these opposed interpretations, has continued to recognize the Nationalists but has at the same time made some conciliatory gestures toward the Communists, beginning with the decision last January not to render active military aid to Formosa. The President's June 27 statement on Korea, at the same time that it placed the strength of the Seventh Fleet behind the defense of Formosa, also called on the Nationalists to suspend air attacks on the mainland and suggested that the island's status might be settled, among other ways, by a decision of the UN. When Communist Foreign Minister Chou En-lai—whether in response to the American hint or not—appealed the Formosa question to the UN, Washington immediately agreed to place the issue on the agenda. Finally on September 20 in the General Assembly, Secretary of State Dean

Acheson expressed the hope that, pending discussion of the island's status, "all concerned parties will agree to refrain from the use of force."

UN Membership

Similar concessions and veiled hints have characterized American policy regarding recognition and UN membership. Washington's insistence on continued seating of the Nationalist representatives has been accompanied by agreement to various developments which, in the words of Thomas J. Hamilton in the *New York Times* of September 24, indicate a "strong possibility that the Peiping regime will be admitted before the Assembly adjourns." Such a decision would subsequently strengthen the pressures for recognition of Peiping within this country.

The chief reason for this development is the growing sentiment among European countries, as well as in Asia, especially in India, that continuation of the present confused situation is dangerous to world peace. Even France, which has not yet recognized Peiping, has been reported as ready to press for its admission to the UN. The change may be heralded by invitations to the Chinese Communists to participate as an interested

party in several debates—notably the discussions of the Formosan question, the alleged American air attacks in Manchuria and the meetings of a special committee authorized by the General Assembly on September 19 which will examine the Chinese representation problem. The United States has several times intimated that it would agree to such participation, the latest occasion being Secretary Acheson's September 20 declaration that, as regards Formosa, "all concerned and interested parties shall have a full opportunity to express their views."

The United States has already expressed its willingness to accept the majority will on the seating of China. Undoubtedly the Truman Administration will attempt to soften the impact of this decision on American public opinion by seeking assurances from Peiping that, in taking a UN seat, it not only undertakes to carry out all obligations of UN membership but accepts all previous decisions of the world body. An effort may also be made to delay final action until the November elections have been held.

Reassurances regarding Formosa and recognition may affect Peiping's decision on intervention in Korea. The establishment of peace in Korea, however, will

require not only non-intervention by the Chinese, but also alleviation of Chinese fears which would arise out of maintenance of American troops on the mainland. Secretary Acheson's emphasis in his September 20 address on land reform and UN-sponsored humanitarian aid to Korea goes part of the way to reassure the Chinese. Ultimately, however, the UN decisions regarding the future status of Korea will play a major role in determining whether this strategic peninsula will continue to provide a strong bond tying Peiping to Moscow.

The United States has hesitantly embarked upon a course in the UN which can have great influence in cementing the mutual loyalty of the free nations of the world and will test the extent to which the Chinese Communists are influenced by the Russians. Undoubtedly some critics will find this course the road to disaster, as does *Life* magazine on September 25 when it declares that "Dean Acheson is the symbol of appeasement of communism everywhere in Asia." Others, however, will find this policy the appropriate one to build what Mr. Acheson himself has termed "situations of strength" in the non-Soviet world.

FRED W. RIGGS

Industrial Growth Changes South African Race Pattern

To the outside observer politics rather than economics still seems to dominate the contemporary scene in the Union of South Africa. Beneath the surface, however, economic forces have already begun to produce major political as well as social changes.

Perhaps most striking of the economic realities in South Africa is the manner in which the drift from country districts to the towns during the last decade or so has altered the composition of the urban population. It is a surprise to find, both in the manufacturing city of Port Elizabeth and on the Rand, that the Afrikaner now far outnumbers the English-speaking South African in the ranks—especially the lower ranks—of white industrial workers. Moreover, in the Orange Free State even the Afrikaner who remains on his farm appears to be much less concerned than he used to be with farming as a way of life. The disturbing influence of speculation has affected him no less than his urbanized brother. Nor does this show itself only in the pipe-dream that some day gold may be

traced beneath his farm—as it was near Welkom in the northern Free State, where the pitheads are now rising under the influence of a capital investment of a hundred million pounds or more. The search for quick returns is also alleged to be making the Orange Free State farmer more concerned with the ephemeral market value of certain crops than with the ultimate effect of such crops on the land.

Trade Union Attitudes

In the cities trade union leaders frankly recognize the challenge created by the altered character of union membership. The effects appear to vary considerably from union to union. For example, the secretary of one powerful union, of which many Afrikaner women from rural areas have become members in recent years, was emphatic in asserting that loyalty to union principles was replacing the traditional Afrikaner political and cultural "prejudices" which members at first brought with them. On the other hand, vigorous criticism was expressed by even

conservative trade unionists on the Rand concerning attempts allegedly being made by the Nationalist party to import politics into the powerful Miners' Union.

Equally interesting were reports from union leaders of the changing attitudes of European workers toward non-Europeans in industry. The over-all impression is that at least a section of the European workers, aided perhaps by a long period of full employment and by an increasing shortage of skilled and semi-skilled workers, is coming to feel that its security and continued economic advancement are bound up with security and improved wages and living standards for non-European workers—an increasing number of whom appear to be entering skilled and semi-skilled trades, often by the back door. Side by side with these trade union trends should be noted the increasing insistence of spokesmen for employers, such as Harry Oppenheimer, M.P., on the need to remove present color restrictions in order to improve the efficiency of South African industries, especially those with potential export markets.

Housing Progress

In discussing the position of non-Europeans in industry attention must be given to the vexed question of native housing. Here the dispassionate observer is compelled to record substantial progress as well as to recognize the persistence of a problem of appalling dimensions. In such native locations as Kaya Mandi, in its attractive setting outside Stellenbosch in the western Cape, or at the larger McNamee area in New Brighton in the eastern province, or even on the Rand itself, the investigator who bothers to pass beyond the obviously deplorable conditions of many shanty towns—the existence of which is perhaps over-publicized in the United States and Britain—finds much evidence of positive achievement.

The McNamee housing project, for example, accommodates 25,000 persons—about 80 per cent of the Bantu population of the increasingly industrialized city of Port Elizabeth. Founded 12 years ago, it consists of separate two- and three-room family dwellings. Rents range downward from 22 shillings (\$3.08) per month for a three-room house, including electricity, water for small vegetable gardens and free medical services. (The average wage for the male head of the family is £8 to £9 (\$22.40 to \$25.40) per month.) The McNamee project includes schools run by the Native Affairs Department and nursery schools under the Child Welfare Department where less than four cents a day covers the cost of three meals.

On the Rand, the municipality of Johannesburg, through its native affairs department, holds land within 10 or 12 miles of the center of the city estimated to be sufficient to meet the housing needs of married natives for 10 to 20 years. Conditions in rapidly expanding native townships such as Orlando West are in some respects better than those at McNamee. Even the worst and most dangerous slum areas of Sophiatown and Newsclare have nearby a model subsidized housing settlement for the Colored population where 30,000 live under fairly good conditions. In Johannesburg itself, approximately 27,000 unmarried natives other than mine-workers are housed in well-planned hostels.

This building program has been carried out at a time of great difficulty in the post-war construction industry, which has also been struggling to keep pace with the phenomenal increase in the European as well as the non-European population of South African cities. The need still to be met, however, is enough to disturb the stoutest heart. In March 1950 the shortage of dwellings for Johannesburg's unmarried, urbanized natives was estimated at 16,000 and for married natives at not less than 57,000.

Moreover, it is of actual suffering and hardship, not of administrative amelioration of his lot, that the politically self-conscious, educated African talks to the observer from overseas. It is always dangerous to generalize on the basis of limited evidence, but visits to such institutions as the Bantu university college at Fort Hare, discussions with African as well as European teachers, churchmen and administrators in Natal and the Transvaal as well as in the Cape, and a long interview with the President General of the African (Bantu) National Congress at Thaba Nchu, near Bloemfontein, make it difficult to be other than pessimistic as one reflects on the current trend of race relationships within the Union.

FRED ALEXANDER

(This is the second of three articles on South Africa by Professor Fred Alexander of the University of Western Australia who recently spent several months in South Africa.)

Branch and Affiliate Meetings

POUGHKEEPSIE, October 2, *German-French Relations*, André Philip

LYNN, October 2, *The Future of Germany and American Foreign Policy*, Hajo Holborn

WORCESTER, October 3, *France and the Unity of Europe*, André Philip

PROVIDENCE, October 4, *European Union*, André Philip

EASTON, October 5, *European Union*, André Philip

BETHLEHEM, October 6, *The Situation in France*, André Philip

DETROIT, October 12, *Far East*, Dr. Russell Fifield

HARTFORD, October 13, *Admiral Chester W. Nimitz*

News in the Making

GATHERING STORM IN INDO-CHINA: Indications are accumulating that in late October or November, following the monsoon rains, there will be an all-out struggle for power in Vietnam, where the French-sponsored Bao Dai regime is building up its forces with American aid and the Communist-led Vietminh army is receiving assistance from the Chinese Communists. Recent guerrilla attacks on French border posts are interpreted as preliminary sorties rather than a major drive, but they may be intended to open the frontier for more Chinese aid.

GREEK AID SLASHED: In the first recorded action of its kind, the United States on September 16 announced that an unstated reduction in the amount of Marshall Plan aid allocated to Greece had been agreed upon by the State Department and the Economic Cooperation Administration. According to the State Department, the cut was decided upon because "the rate of progress in the Greek program has not been sufficient to allow complete utilization of the amount originally contemplated."

TAX RISE FOR FRANCE: The increased defense expenditures undertaken and contemplated by the French government have completely upset the proposed fiscal plan for 1951. Recent economic gains had convinced officials that the time was appropriate for a series of tax relief measures. The Korean war, however, has made it necessary for the government to seek revenues for 1951 at least 200 billion francs (\$575 million) in excess of this year's total. The increased revenue is expected to come mainly from higher indirect taxes.

BRITISH STEEL: The British Labor government won its test on the nationalization of the iron and steel industry on September 19 when the House of Commons rejected a Conservative motion of censure by a 306-to-300 vote. As a consequence a new general election is not regarded as likely until next spring, even though the Conservatives will continue to seek a government defeat which would allow them to reverse the steel legislation.

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Can Stronger General Assembly Assure World Peace?

As the United Nations approaches its fifth birthday on October 24, it is being widely congratulated for having "turned the corner," in the words of Britain's Foreign Secretary Ernest Bevin. It is not age or maturity which brings increasing interest and plaudits to the international organization but its one striking demonstration of effective function—the case of Korea. Since the hectic Sunday of June 25 when the telephones pealed incessantly at Lake Success, the United Nations has been widely regarded as something more than the symbol of frustration it was in danger of becoming.

Thus the delegates at the fifth General Assembly, holding its opening meeting on September 19, were able to put sincerity into their first speeches which, according to custom, always mention the world's bright hopes for peace, justice and order. These initial statements, however, were couched in an awareness that Korea is unfinished business and in appreciation of the special circumstances last June which enabled the Security Council to act as an effective instrument of collective security. The prospect that any new instance of Communist aggression will be coupled with the use of the Soviet Union's veto now that Russia has ended its seven-and-one-half-month walk-out from UN organs weighs heavily, particularly with the United States delegation.

Proposals for Reform

Secretary of State Dean Acheson's proposals of September 20, designed to enable the General Assembly to "discharge its responsibility" under the Charter "if the

Security Council is not able to act because of the obstructive tactics of a permanent member," were offered to meet this contingency. However, Mr. Acheson left open the essential question as to whether collective action, including the use of armed force, could be expected to follow an Assembly recommendation carried by a two-thirds majority. He asked for a special Assembly committee to study the means by which the United Nations—he did not refer specifically to either the Security Council or the Assembly—could carry out the purposes and principles of the Charter.

His suggestion received varying responses abroad. Mr. Bevin on September 25 endorsed its objectives, leaving the door open for "constructive criticism"; Foreign Minister Robert Schuman on September 27 promised only that France would consider "with the greatest attention the specific proposals which might be formulated by the United States delegation." Sir Benegal Rau of India the same day called attention to "something more fundamental than questions of machinery . . . this mutual fear of aggression . . . the vicious spiral of arming and counterarming." He asked for a meeting of the Russian, American, British and French foreign ministers to discuss or rediscuss "at least the most outstanding matters of disagreement between them."

Some observers believe Mr. Acheson's aims cannot be realized within the letter of the Charter. Others point out that an overwhelming Assembly majority is not a sure-fire formula for effective action, calling attention to the questions of South-

West Africa and diplomatic representation to Spain. In both instances recommendations passed by large Assembly majorities in 1946 have been defied.

Will to Act

The American proposals point up one fundamental test for the United Nations, its ability to perform constitutional operations on itself—either through outright Charter revision, which at present seems unlikely, or by reinterpretation of the Charter as it exists. But it was more than the absence of the Russian delegate at the Council table in June which made Korea a unique case. The prompt United States leadership and the readiness of 52 nations to follow it were equally important. Moreover, this was only possible because of what appears to have been a drastic miscalculation on the part of the Communist leaders who sent North Koreans over the 38th Parallel. The assault on the Republic of Korea by tank-led divisions in all their strength has yet to be explained away as a "peace-loving" operation by Russian spokesmen, despite their countless countercharges during August that the United States was the real aggressor. Europe, sensitive to its past failures to make collective security work, could not fail to respond to American leadership; nor could Asia fail to be impressed.

But this was the first time since the end of World War II that troops of a Communist nation had crossed something approximating an international border. In Czechoslovakia, Greece and Iran in the past and in Indo-China at present, Communist tactics are different. In divided

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Germany and Austria today the UN itself has established no precedents for action—as were provided by United Nations attempts to deal with Korea since 1947. In other words, there are still danger spots where conflict can occur without a clear-cut case of aggression.

Therefore, the world watches the facial expressions of Foreign Minister Andrei Y. Vishinsky, the thawing of Jacob A. Malik and the tone of other Russian delegates for some sign of the U.S.S.R.'s real intentions. Peace can always be shattered—in any geographic area under any form of political organization—between the hammer of an intransigent minority and the anvil of an unyielding majority. Is the Kremlin becoming less intransigent? If so, should the leaders of the majority be prepared to make concessions? The opportunity for a meeting of the Big Four foreign ministers passed when Mr. Bevin and M. Schuman left for Europe on September 29. The Western position seems to be that if the Russians want peace they can go through channels;

United States delegates have repeatedly stated that every United Nations organ and committee provides an opportunity for the resolution of differences. Even the delegates' lounge at Lake Success, scene of the overtures which led to the lifting of the Berlin blockade, offers a site for the exchange of olive branches.

"Old Friends"

The United Nations has met other tests besides the one in Korea; it has many more ahead. The admission of Indonesia as the sixtieth member of the international organization on September 28 marks one successful episode. The report of Adrian Pelt, UN Commissioner in Libya, to the Secretary General on September 29 indicates that another independent state is in the making and recalls that the UN has still to decide the fate of the last of the former Italian colonies, Eritrea. As the delegates went into committee meetings on September 30 they referred to their "old friends" on the agenda—Palestine, deadlocked Kash-

mir, disarmament and the atom, charges of mistreatment of Indians in South Africa, violation of their peace treaties by Hungary, Bulgaria and Rumania.

They were making "new friends" as well—charges of American bombings in Manchuria, Formosa, the admission of Communist China, peace-making in Korea. The last two particularly seem more delicate, more precarious for the cause of world peace, than the older issues, but perhaps only because they lack the same familiarity and because the respective boiling points of the interested parties are unknown. The United Nations has existed long enough to have developed a pattern. Either an issue is resolved, or it becomes a tattered subject of debate. While the latter process is wearisome, it too has its function in peace-keeping. As long as member nations are content to debate and engage in parliamentary maneuver, an uneasy truce prevails. This is less than perfection but better than violence.

WILLIAM W. WADE

Political Settlement for Korea Challenges UN

Korea has provided—and for some time will continue to provide—a touchstone testing the ability of the United Nations to prevent aggression and to establish the preconditions of peace. The current debate on Korea in the General Assembly is urgent, not only because of the rapid military advance of UN forces, but also because of the far-reaching significance of the issues underlying this problem.

UN Responsibility

The first UN effort to deal with Korea—following presentation of the problem before the General Assembly by the United States in September 1947—proved abortive. The UN-sponsored Republic of Korea—recognized by the General Assembly on December 12, 1948 as the only legal government in the country—was unable to provide the unification which alone would have established peace in the Hermit Kingdom. The second UN action—the Security Council resolutions of June 25 and 27 to resist North Korean aggression—has proven far more successful. The General Assembly must now deal with Korea for the third time by taking decisions affecting political questions of the utmost complexity.

No settlement in Korea will prove lasting unless it unites the country. At the

same time any Korean settlement must take into account the seriously disturbed balance of power in the Far East. A Sovietized Korea is regarded by the United States as a dagger aimed at Japan. Conversely, the permanent stationing of American forces in Korea would be considered by both Russia and Red China as a threat to their own safety. Only some settlement which neutralizes Korea can reassure both the Russians and the West. Finally, although the governments of many Asian countries have upheld the UN in Korea, Communist claims that the war is a civil conflict and that American troops are fighting an imperialist campaign have gained wide popular credence in Asia. It is to America's interest to refute these charges.

Warren R. Austin, American delegate to the UN, in his speech before the Assembly's Political Committee on September 30 dealt with most of these basic problems. He declared that Korea must become a "free, independent and united country." Since this objective cannot be obtained so long as an armed Communist-controlled regime in North Korea continues to contest the authority of the UN, the submission of that regime to a UN authority is a prerequisite to the establishment of unity.

But the advance beyond the 38th Parallel, especially of American troops, if it provoked hostilities with the Chinese Communists—or the Russians—might lead to general war. To underline this point Chinese Communist Foreign Minister Chou En-lai declared on October 1 that the Chinese people "would not stand aside" if the "imperialists wantonly invade the territory of their neighbor." To assuage Chinese and Russian fears, Ambassador Austin expressed the hope that the UN action in North Korea would be carried out by forces from countries other than the United States, especially from the nations of Asia. Moreover, he said, UN forces should be withdrawn after the General Assembly's objectives had been achieved.

Soviet Proposal

The Russians, however, still hope to retain a Communist government in Korea, as indicated by their Assembly resolution of October 2. It calls for a cease-fire, withdrawal of UN forces, and all-Korea elections to be jointly conducted by the two existing regimes. Calculated to split the non-Soviet countries—in view of a superficially similar Indian proposal—this resolution would perpetuate a divided country. The West should realize, however, that

even an independent government established under the aegis of a strong UN authority might, in time, succumb to Communist party tactics unless it succeeded in gaining strong popular support by meeting the acute needs of the people as a whole.

For this reason, as well as because of the broader struggle for Asian support, the Korean settlement will provide an important test of the ability of the West to offer Asia more than communism does. American proposals in this field focus on relief and rehabilitation, technical assistance and economic development. In Ambassador Austin's words, we should develop in Korea "a pattern of coordinated economic and social action which we can employ in other places." Unfortunately this proposal fails to touch on the crucial

issue of land reform, which many Asians consider the most important measure of progress. Secretary of State Dean Acheson on September 20 did refer to important agrarian gains already made in South Korea and to plans which "would have made farm owners of 90 per cent of the farm families in Korea" if they could have been implemented last summer. Nevertheless, many Asians, including Koreans, are suspicious of the conservative Syngman Rhee government, which, Mr. Austin says, must be consulted "in all matters pertaining to the future of Korea."

A resolution introduced in the General Assembly on September 30 by eight members, under British initiative, proposes a settlement substantially in accord with Mr. Austin's speech. Although it does call for elections to be held through-

out Korea, it is vague on the status of the Rhee government. Two Asian countries—Pakistan and the Philippines—were among its sponsors, but India's willingness to participate in the proposed Korean Commission would be indispensable to the plan's success.

The military decision in Korea was reached largely because of substantial American assistance. A stage has now arrived, however, where a satisfactory political settlement can be concluded only by the United Nations—with the full support of independent Asian countries as well as the Korean people. Except for providing technical and economic assistance, the United States can best further the progress of such a settlement and of peace in Korea by leaving the primary responsibility to others. FRED W. RIGGS

UN's Five-Year Economic Record Impressive

On September 20, before the UN General Assembly at Flushing Meadow, Secretary of State Dean Acheson expressed the hope that "just as Korea has become the symbol of resistance against aggression, so it can become also the vibrant symbol of the renewal of life." According to Mr. Acheson, "what the UN will be able to do [in Korea] can help set a pattern of coordinated economic and social action in other places, where the need is for development aid rather than rehabilitation." These remarks emphasize the fact that along with the maintenance of peace and the prevention of aggression, a cardinal aim of the world organization is the creation of a strong and stable world economy.

As the fifth anniversary of the UN approaches, it is appropriate to consider some of the achievements, problems and prospects of the world organization in the economic field. The hub of this activity is the 18-member Economic and Social Council, which supervises the work of the economic commissions for Europe, Latin America and Asia. The Council also coordinates the work of the specialized agencies, including the International Monetary Fund, the International Bank for Reconstruction and Development, the International Labor Organization and the Food and Agricultural Organization.

Economic Teamwork

The three regional commissions were set up to help neighboring countries grapple with important economic matters

of common concern. The ECE has been especially successful in allocating coal exports to Europe in 1948. Its counsel was partly responsible for the increased coal and steel output in Europe in 1949. Its varied activities under its distinguished chairman, Dr. Gunnar Myrdal, account for the only significant international co-operation now taking place between the nations of the West and the Soviet bloc.

The Commission for Asia and the Far East has set up committees of experts to deal with such questions as iron and steel, transport, flood-control, industry and trade. The Economic Commission for Latin America at its Havana conference in June 1949 adopted plans for cooperation in such fields as soil and forest conservation, fisheries, and the control of animal and plant diseases. It is expected that in the near future a commission for the Middle East will be established.

Trade and Employment

UN officials hope that the proposed International Trade Organization will become the specialized agency to promote a system of expanded and freer international trade. The charter for the ITO, adopted by 54 nations at Havana in 1948, has so far not been ratified by any major trading nation. Many countries are, apparently, waiting for the United States to take action. Despite strong pressure from President Truman and Secretary Acheson, Congress has yet to hold a full-dress debate on the Charter.

The maintenance of high levels of

national income and employment is, in large measure, a matter of domestic economic policy, involving decisions on monetary and fiscal policy that no country is willing to put in the hands of other than national authorities. Consequently, although Article 55 of the Charter pledges UN members to promote full employment on an international basis, the main UN contribution in this field has been the publication of several highly original and perceptive economic analyses. These studies deal with the many problems involved in the quest for high, stable employment levels.

Economic Development

Before President Truman made his famous Point Four speech on January 20, 1949 the UN had been working to extend industrialization to underdeveloped areas. Available funds were modest in amount, and surveys and a few technical assistance missions comprised the bulk of UN endeavor in this field. As a result of the impetus provided by the President's speech, UN activity has been accelerated. Many believe that the Technical Assistance Conference held at Lake Success June 12-14, 1950, which received pledges of over \$20 million to further Point Four aims, was the greatest single economic accomplishment of the world organization.

At present the UN is involved in a series of projects in Afghanistan, Iran, Lebanon, Turkey and the Middle East, Libya, Indonesia and Latin America.

Over 100 technical experts of the UN are now in the field working on these varied projects.

The Fund and the Bank were agreed upon at a conference attended by 44 nations at Bretton Woods in the summer of 1944. Both agencies commenced operation on December 27, 1945. The Fund was designed to maintain exchange stability. This goal was not meant to preclude orderly adjustments in rates of exchange. The Fund was also designed to help members overcome short-term balance of payment difficulties without resorting to the deflationary process that accompanied the old international gold standard. The devaluations of September 1949 occurred after consultation with the Fund, and they rank as one of the most orderly and disciplined adjustments in modern international finance.

The Bank has been concerned with long-run matters and seeks to encourage and complement the flow of private funds. It grants loans for worthwhile projects only when private funds are not available in sufficient quantity and at reasonable rates. The total of Bank loans to date is approaching \$1 billion.

The ILO, set up alongside the League of Nations in 1919, became a specialized agency of the UN in 1946. On its thirtieth anniversary the ILO announced that it had 56 conventions in force binding many nations to insure adequate working conditions in a wide range of industries. Today the ILO is concentrating on helping nations, especially in the underdeveloped areas, with their training and manpower problems.

The FAO was agreed upon at a conference at Hot Springs in 1943 and officially commenced operations on October 16, 1945. Designed to increase world agricultural efficiency, raise levels of nutrition and contribute to an expanding world economy, the FAO has one of the most successful records of any international agency. Cattle diseases, famine and outmoded techniques have all been effectively assaulted by FAO missions which are at work in every continent. One of the most vexing FAO problems is the integration of the United States farm policy of supports and subsidies with the world organization's avowed aim of dif-

fusing the spread of agricultural production and efficiency.

The Record

It is obvious that the UN has accomplished a great deal in economic matters. It is also clear that only the surface has yet been scratched. Perhaps one of the greatest economic achievements of the UN is that, as a result of its numerous and valuable studies and surveys, increasing numbers of people are aware of just how many things there are to be done.

Today, as the fifth anniversary of the UN draws near, it is the threat of war that constitutes the biggest and most formidable barrier to further international economic progress under the aegis of the UN. If present international tensions subside, the possibility exists that the world will enter a period of economic progress that was hitherto undreamed of. If the present crisis detonates another war, the best that can be expected is that past and present economic gains have strengthened the forces of democracy.

HOWARD C. GARY

Branch and Affiliate Meetings

COLUMBUS, October 11, *America and the Cold War*, Foy D. Kohler

PITTSBURGH, October 11, *Would France Stand Up to Soviet Aggression?* Barry Bingham

DETROIT, October 13, *The Far East*, Russell Fifield

HARTFORD, October 13, *The UN and Korea*, Admiral Chester W. Nimitz

NEW ORLEANS, October 16, Karl Gruber, Foreign Minister of Austria

NEW YORK, October 16, *Korean and Formosan Developments*, Col. T. H. Murphy, Fred W. Riggs

DETROIT, October 17, *America's Policy: War or Peace?*, Alfred H. Kelly

ST. LOUIS, October 18, Karl Gruber, Foreign Minister of Austria

CINCINNATI, October 19, Karl Gruber, Foreign Minister of Austria

MINNEAPOLIS, October 19, M. A. H. Isphani, Ambassador of Pakistan

NEW YORK, October 19, *Korea Focuses Attention on Armaments*, Frank C. Nash

BUFFALO, October 21, Karl Gruber, Foreign Minister of Austria

News in the Making

FEDERATION FOR ERITREA: The unique authority of the General Assembly to adopt a binding decision in the question of the former Italian colonies will be exercised again at the current session in the case of Eritrea. The UN Commission has recommended a federal solution for this area, with self-government in the broader framework of union with Ethiopia. British administration would continue for three years with a UN advisory council assisting the transition.

FRENCH NORTH AFRICA: Although not yet on the Assembly's agenda, some Arab state may be expected to introduce the question of French policy in North Africa, especially the charge that Paris has violated its treaty of 1883 which established a protectorate over Tunisia. Proximity of this area to Libya, scheduled for independence under UN auspices, has strengthened nationalist sentiment which is active in all French North Africa.

YUGOSLAV ECONOMY WEAK: The Russian-satellite blockade of Yugoslavia, plus the severe drought in Eastern Europe, presents Tito with several critical economic problems. During the week of September 24 the Yugoslav government found it necessary to order a 10 per cent cut in the bread ration, a ban on all food exports and a national campaign to collect twigs, leaves and corn stalks for animal fodder.

Mrs. Dean in Asia

Mrs. Dean left New York on September 24 to attend the eleventh international conference of the Institute of Pacific Relations in Lucknow, India, October 3-15. She will be one of 15 American delegates led by Professor H. H. Fisher of the Hoover Institute and Library, Stanford University. Unofficial representatives of 14 countries and observers from several of the UN's specialized agencies will be present at the gathering.

Mrs. Dean expects to contribute to the BULLETIN while in Asia. She will return to New York at the beginning of November.